



2 Wonderful TSX Businesses You've Probably NEVER Considered for Your TFSA

Description

It's hard to keep up to date with all the top TSX-traded businesses out there. That's why I'd strongly encourage you to keep a watch list or radar of compelling stocks that you'd be interested in owning if ever it traded at a substantially lower price, so you don't miss out on a dip you would have bought if you hadn't completely forgotten about the name.

With the mainstream financial media neglecting to cover small-cap stocks with lower trading volumes, it's not a mystery as to why so many strong up-and-comers end up flying under the radar, as we're distracted by overcovered names that may not be as attractive or timely at a given instance in time.

Consider **Badger Daylighting** (TSX:BAD) and **Tucows** ([TSX:TC](#))(NYSE:TCX), two undercovered Canadian stocks that you've either never heard of or have completely forgotten about due to the lack of coverage that each name gets from the analyst community and the mainstream financial media.

These stocks, while small fish in an ocean of whales, deserve your attention, so after the recent pullback in small-cap stocks, you may want to revisit (or discover) these solid businesses, which have the potential to become huge winners for a long-term-focused TFSA portfolio.

Without further ado, let's have a brief look into each "easily forgotten" stock.

Badger Daylighting

If you're like me, you've probably stopped following the company after the infamous short-seller Marc Cohodes set his sights on the Badger, the hydrovac excavator, alleging that the company had been engaged in shady accounting practices and illegal dumping, among other issues.

To the surprise of many, Cohodes's claims were deemed as baseless by a third-party, and the Badger eventually bit Cohodes back with a request for a cease-trade order (to get Cohodes to "shut up"), which was eventually denied by the ASC.

Cohodes is still in a bitter battle with Badger, and as that unfolds in the background, the company has

been performing remarkably well and is one of the few stocks that's in the green for 2018.

In the latest quarter, Badger clocked in a 20% increase to revenue, and a 57% increase to EPS thanks to a number of improvements that fellow Fool [Karen Thomas](#) did a top-notch job of covering in a prior piece. Given Badger's momentum and its modest valuation, Karen thinks Badger is a steal, and I'd have to agree, even if Cohodes does return with more nasty things to say about the company.

Tucows

Here's an underrated stock that blasted off over the last month, as other stocks have crumbled like a paper bag. Back in [November](#), I'd encouraged investors to buy the stock, touting the company as the perfect mix of stability and growth.

Tucows's domain business served as a foundation with Ting, the mobile and internet business, serving as the major source of long-term growth. As management continues to capitalize on the rollout of fibre internet and low-cost wireless services across select markets within the U.S., Tucows has the opportunity to command high double-digit top-line growth numbers with minimal volatility relative to other companies growing at the same pace.

There's no question that the domain business has been challenged of late thanks to increased competition in the space, but with an extremely agile, low-cost growth outlet in Ting, it definitely appears that Tucows can weather the storm (and then some) as its domain business stabilizes.

Over the last decade, Tucows has seen its top line accelerate, and with an incredibly high-growth ceiling with Ting, I think the company's best days could be ahead of it. Given the magnitude of growth and the stable backdrop of the domain business, I believe Tucows is a growing cash cow that you won't want to miss.

Double-digit top-line growth numbers for just 28 times trailing earnings? That's a steal, plain and simple.

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