



3 Unknown but Amazing Stocks for Your TFSA

Description

When it comes to stocks, popular doesn't necessarily equal better. For every over-hyped stock that goes on an epic bull run, there's another that enriches nobody except for short sellers. In the meantime, many less known stocks quietly make investors rich without ever getting much press. Railroads, in particular, have been a low key sector that has performed well over the past decade, and there are many others.

If you're looking to get the absolute best possible returns in your TFSA, it pays to take the road less traveled. With that in mind, here are three relatively unknown but high-quality stocks on the TSX index.

CargoJet Inc ([TSX:CJT](#))

CargoJet is an [air cargo service](#) based in Mississauga that offers overnight airplane service in Canada and elsewhere. In 2018, the company opened a new route between the U.S. and Canada that's scheduled to do five runs a week. The company also increased its service in Latin America, with new routes between Canada, Colombia and Peru. That same year, the company lost a major contract with **Air Canada**, but management expects to see it renewed.

CargoJet's earnings picture is mixed. In its most recent quarter, revenue was up 27% and adjusted EBITDA was up 24%. However, diluted EPS was down 16.4%. The decrease in diluted EPS is explained by a major jump in fuel costs and depreciation, which were up \$11.6 million and \$3.6 million, respectively. The overall trajectory in CargoJet's earnings is positive. The stock also pays a dividend that yielded 1.12% at the time of writing.

Richelieu Hardware LTD ([TSX:RCH](#))

Richelieu Hardware is a company that makes and sells [specialty hardware products](#), including screws, hinges, casters and sliding door systems—among dozens of other things. The company has a diverse product line that mostly consists of household necessities, which ensures steady sales in any economic environment. In its most recent quarter, Richelieu grew revenue at 2.9% and earnings at 1.4%—not exactly frothy growth, but this is a stock that trades at just 1.3 times sales. Richelieu also pays a dividend that yields 1.03%.

OpenText Corp ([TSX:OTEX](#))(NYSE:OTEX)

OpenText Corp may not be a household name, but if you've ever worked in a call center, you may be familiar with its Qfiniti line of products. OpenText sells a wide array of subscription-based office software products, which have made it into a \$2.8 billion a year company.

And OpenText Corp is not just big. It's also growing, with revenue up 4% and cash flow up 115% in Q1. The company has also been investing heavily in future growth. Most recently, it purchased Liason Technologies, a cloud-based business integration provider, for \$310 million in cash. As a cash flow positive business in its own right, Liaison will help drive OpenText's earnings higher. And if you're an income investor, there's one last thing to note: OTEX pays a dividend that yielded 1.74% as of this writing. That's not the highest dividend around, but above the class average for tech stocks.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)
2. TSX:CJT (Cargojet Inc.)
3. TSX:OTEX (Open Text Corporation)
4. TSX:RCH (Richelieu Hardware Ltd.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing
2. Tech Stocks

Date

2025/08/27

Date Created

2019/02/03

Author

andrewbutton

default watermark

default watermark