



These 2 Unlikely Heroes Soared Above Last Week's Market Turbulence

Description

Despite volatile North American markets that spelled trouble for even the most classically defensive sectors, the following duo of stocks saw some positive action on the **TSX** last week. Hailing from the oil and gas production industry and the aerospace and defence sector, these two doughty tickers did their bit to keep the TSX positive at the end of the week and could well reward investors looking for a quick profit.

Bombardier ([TSX:BBD.B](#))

The Canadian aerospace and defence company recently confirmed that it was in talks with Japan's **Mitsubishi Heavy Industries** to sell its CRJ regional jet business. [Bombardier](#)'s share price soared on the news, making the aerospace stock one of the breakout stars of last week – a remarkable week for the markets that saw heavy turbulence thanks to the abrupt about-face on proposed additional North American tariffs.

With five-day gains of 1.97% over the weekend, Bombardier showed that it could still ascend above the clouds, though trading at a 21% discount off its fair value and with a trailing 12-month P/E of 9.69 times earnings, it might be fair to say that Bombardier is still undervalued. An average estimated earnings growth rate of 49.3 by the end of 2022 further suggests some suitability as a long-term investment.

TORC Oil & Gas ([TSX:TOG](#))

One of Western Canada's premier crude oil and natural gas producers, the Calgary-based company is a buy at the moment thanks to its performance on the TSX toward the end of last week. Oil-weighted energy stocks helped to lift the TSX index out of the doldrums on Thursday, thanks in large part to the Mexico tariff U-turn after the sector took a battering amid trade tensions and increasingly common signs of global bearishness.

A new energy investor looking at TORC Oil & Gas would find a healthy stock with a debt level of 23.7%, well within the safety zone and adequately covered by cash flow. While its P/B of 0.6 times

book denotes slightly better value for money than the average Canadian [oil and gas stock](#) (which trades at 0.8 times book), its P/E of 49 times earnings is more than twice the norm and may leave value investors sitting on the fence.

However, TORC Oil & Gas started this week with five-day gains of 1.95% under its belt, while a projected earnings growth rate of 58.2% over the next three years and positive expectations for current and next quarters add to the potential for a quick profit for capital gains investors. Additionally, a forward annual dividend yield of 7.18% and a healthy balance sheet may make TORC Oil & Gas a suitable stock to stash in a TFSA or RRSP.

The bottom line

Despite negative returns for the last year and a balance sheet that leaves something to be desired, Bombardier's willingness to streamline its assets and make canny deals that grab headlines works well in combination with its solid market presence. It sits well alongside TORC Oil & Gas as a potential money spinner this week, with both tickers proving that upside can sometimes come at unlikely times and from unexpected quarters.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

TICKERS GLOBAL

1. TSX:BBD.B (Bombardier)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

Date

2025/07/06

Date Created

2019/06/12

Author

vhetherington

default watermark