3 Under-the-Radar Stocks to Buy Immediately

Description

Investors should start focusing on three noteworthy companies with strong cash-generating abilities. These stocks are all under the radar and not discussed often. But all these stocks are offering solid gains and high returns, which you shouldn't miss out on.

A growing software company

Ceridian (TSX:CDAY)(NYSE:CDAY) is heading toward a strong finish in 2019. The stock is slowly but surely on track to surpass the 53-week high of $71.80 and possibly post a new high. The current price of $67.72 is 58.7% higher than a year ago and up by 43.9% year-to-date.

The $9.6 billion global human capital management (HCM) software company just reported financial results for the second quarter ended June 30, 2019. Ceridian's business is doing great based on the impressive quarterly figures.

Dayforce is Ceridian's flagship popular cloud HCM platform that provides human resources, payroll, benefits, workforce management, and talent management capabilities in a single solution. The flagship platform's revenue saw an increase of 27.1% year over year.

The cloud segment registered a 22.3% year-over-year growth rate. Ceridian posted an operating profit of $18.7 million compared to the $8.4 operating loss for the same period in 2018. No wonder CDAY is white hot these days.

A gem stock in the making

Although **Savaria** (TSX:SIS) isn't having a fantastic run this year, analysts are forecasting a potential 63.1% capital gain in the next few months to go with the 3.2% dividend yield.

Savaria is an established name in the accessibility industry, but not too popular on the **TSX.** For the past five years, the company's performance has been sensational.

The diversity of Savaria's product line and accessibility solutions for the elderly and physically challenged is one of the most comprehensive you can find in the market.

While the longevity of people has improved, the number of senior citizens globally is growing at a fast pace and could well double in 30 years.

Hence, the demand for accessibility and mobility equipment will be enduring. The trends point to an accelerated and long-term sales growth.

Savaria is a gem in the making. With favourable trends and expanding margins, this small-cap company could touch the $1 billion market cap threshold sooner rather than later.

A high-dividend paying mid-cap stock

Whitecap (TSX:WCP) is a tremendous buy at $4.11 with an opportunity of a 143+% price appreciation in the next 12 months.

The $1.7 billion oil and gas company pays an annual dividend of 8.0%. The stock could pass as a core holding in any dividend portfolio.

The earnings volatility experienced by Whitecap in recent years was due mainly because of non-cash expenses. But the company has operated and finance expenses despite the rapid expansion.

In case you're worried about the sustainability of dividend payments, Whitecap's CEO Grant Fagerheim himself reiterated that the company has no intention of reducing the payouts to shareholders.

Dividends have been increased thrice in the past three years. The only threat is if oil prices plunge below $50.

Nothing could be more attractive than Whitecap right now. The company has a strong cash flow, no near-term debt obligation, and a $440 million credit facility reserved for future acquisition and development of petroleum and natural gas properties. This is a low-priced energy stock with strong upside.

CATEGORY

1. Energy Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:CDAY (Ceridian HCM Holding Inc.)
2. TSX:DAY (Dayforce)

3. TSX:SIS (Savaria Corporation)
4. TSX:WCP (Whitecap Resources Inc.)

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