TFSA Investors: 3 Absurdly Cheap Stocks to Boost Your Returns

Description

TFSA investors who are shopping for absurdly cheap stocks should take a look at **ARC** (TSX:ARX), **Vermilion** (TSX:VET)(NYSE:VET), and **Choice Properties** (TSX:CHP). These three companies are popular names on the TSX but are currently trading at discounted prices.

The depressed prices might not last long once the stocks rebound. Meanwhile, you can generate sizable passive income from the high dividend yields in your TFSA.

Passing weakness

The prices of ARC and Vermillion have gone down by an average of 25% in the last two months. Both energy stocks are nearing their 52-week lows and have been slipping because of the volatility in the sector. However, the companies are still turning in respectable performances.

ARC surprised investors with strong financial and operational results in the second quarter of 2019. During that quarter, this $2.21 billion oil and gas company generated a net income of $94.4 million from an average daily production of 134,938 barrels of oil equivalent per day.

The crude oil and liquids production also increased by 6% to 35,543 barrels per day, due to ARC's high-value condensate production. The 6% drop in natural gas production was due to the scheduled maintenance activities, third-party pipeline maintenance, and some outages.

ARC expects to end 2019 with an annual average production of 136,000 to 142,000 barrels of oil equivalent per day.

International energy producer Vermilion is on a slump, but that doesn't mean the business is slowing. This $3.19 billion energy firm has several growth opportunities in production.

Vermillion continues to exploit light oil and liquids-rich natural gas conventional resource plays in Canada and the U.S.

The company is exploring the development of high impact natural gas opportunities in Germany and the Netherlands. Vermillion has oil drilling and workover programs in Australia and France.

Given its geographically diversified asset base which delivers high margins, the stock will recover from its temporary decline.

Both energy companies pay monster dividends that can boost stock portfolios. ARC is trading at $6.26 with a dividend yield of 9.66%, while Vermillion is priced at $20.60 with a dividend rate of nearly 12.0%.

Great REIT

The price of Choice Properties is not falling but has fallen between $13.50 to $14.00 for most of the year. REIT stocks are attractive investment options because of their high dividends.

Capital gains from REITs are generally modest or insignificant, but TFSA investors would surely relish this stock's 5.4% dividend yield.

Choice Properties is an owner, manager, and developer of strategically located retail and commercial real estate across Canada. The REIT is managing about 756 properties.

About 81% (615) of their total real estate portfolio are supermarket-anchored shopping centres and standalone supermarkets.

Canada's largest retailer, Loblaw is the REIT's main tenant, and the strong alliance formed between Choice Properties and Loblaw ensures growth into the future. Industrial properties comprise 15% or 117. Office and residential properties make up the remaining 4%.

Economical choices

You're in luck — ARC, Vermilion, and Choice Properties can be bought at bargain prices and put into your TFSA. Now is the perfect opportunity to get the best deal on the **TSX.**

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:VET (Vermilion Energy)
2. TSX:ARX (ARC Resources Ltd.)
3. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
4. TSX:VET (Vermilion Energy Inc.)

PARTNER-FEEDS

1. Msn

2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date
2025/08/22
Date Created
2019/08/14
Author
cliew