



## 3 TSX Value Stocks to Buy on the Cheap

### Description

While the markets may be at the [crossroads](#) between the market top and bottom, it shouldn't stop you from buying if you see compelling **TSX** value stocks today. Without further ado, consider the following three TSX value stocks if you're looking to get the most bang for your invested buck.

The stocks in this list are trading well below their historical average multiples and are close to the cheapest they've been in since the last crisis.

### Nutrien: A TSX value stock trading below book

**Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) is a Canadian fertilizer play that's focused on mining three key crop nutrients in potash, nitrogen, and phosphate, as well as a robust retail business that can hold its own in low-commodity-price environments.

The global fertilizer industry is in a multi-year slump, and the insidious coronavirus (COVID-19) is another thorn in Nutrien's side.

The company recently issued US\$1.5 billion worth of senior notes and is in a reasonably decent liquidity position to make it through the coronavirus typhoon. The TSX value stock currently trades at 0.89 times book, a generationally cheap multiple that deep value investors should pounce on before the tides finally turn in the fertilizer kingpin's favour.

Even in a lower-for-longer environment, I view Nutrien's shares as having a wide margin of safety at these unprecedented depths.

### SmartCentres REIT: A resilient REIT that's been hit too hard

These days, it can seem crazy to invest in a retail REIT after coronavirus-induced lockdowns have made going to the local mall seem like a foolish (that's a lower-case "f" folks!), even dangerous endeavour.

**SmartCentres REIT** ([TSX:SRU.UN](#)) is behind the SmartCentre line of **Wal-Mart**-anchored shopping centres and is actually far more robust than most investors would give it credit for.

In these horrific times, Wal-Mart is keeping store traffic alive and with a tenant base primarily composed of large, well-financed retailers (60% of which are deemed as essential), the REIT is far more robust than the recent decline in its share price would suggest.

SmartCentres REIT is currently down over 50% from all-time highs and presents a compelling value for long-term investors who don't buy the death of brick-and-mortar retail thesis.

The REIT recently revealed decent first-quarter results that saw funds from operations (FFO) increase \$7.7 million. While occupancy levels remained incredibly high at 98%, the trust did face approximately 70% rent collection level that would call for rent deferral programs.

With a near-10% yield, SmartCentres may have to axe its distribution if this pandemic drags on longer than expected. Regardless, in a return to normalcy, I see Smart quickly re-instantiating its distribution should it be reduced, making SRU.UN a must-buy TSX value stock.

## Bank of Montreal: A Dividend King among men

Last but certainly not least, we have **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)), a [Dividend King](#) with a dividend payment streak of 191 years. The bank has been through the best of times and the worst of times, and the dividend has remained intact.

Although the coronavirus crisis leaves BMO in a vulnerable position because of its higher-than-average number of oil and gas (O&G) loans that could soon sour, the Canadian bank is incredibly well capitalized such that a dividend reduction is out of the question, even if the pandemic were to cause oil prices to tank into the negatives again.

Sure, the cloud of uncertainty plaguing the Canadian banks hasn't been this high since the lead-up to the Financial Crisis, but if any firm is going to come roaring back once this ordeal is all over, it's BMO.

The 6.3%-yielding dividend is safe, and with the TSX value stock trading at just 0.9 times book, long-term thinkers ought to consider dollar-cost averaging into the hard-hit bank on the way down.

Stay hungry. Stay Foolish.

### CATEGORY

1. Coronavirus
2. Dividend Stocks

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:NTR (Nutrien)
3. TSX:BMO (Bank Of Montreal)
4. TSX:NTR (Nutrien)
5. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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