



Got \$2,000? 2 TSX Stocks to Buy Now Before They Rebound

Description

If you've got an extra \$2,000 lying around, now is as good a time as any to put it into the **TSX** stocks of wonderful businesses trading at discounts to their intrinsic value. While the market itself may seem a tad on the [frothy](#) side given the magnitude of the recent relief rally and the coronavirus-related uncertainties that still linger, there are ample bargains for those who know where to look.

It's a stock picker's market right now, and as a self-guided investor, you've got what it takes to beat the markets at its own game. Certain areas of this market could stand to mirror the broader **TSX Index**'s upward move with some lag.

This piece will look at two TSX stocks that could [soar](#) into year-end, regardless of the seemingly never-ending lousy news that'll be flowing in.

Badger Daylighting: Top infrastructure TSX stock to buy

First up, we have **Badger Daylighting** (TSX:BAD), a firm that provides hydrovac soil excavation services, primarily for municipal clients and firms within the oil and gas (O&G) industries. The company has a fleet of cutting-edge hydrovac-equipped trucks that can deliver its services to where it's needed, either to dig up buried infrastructure (thus exposing it to the light of day), or providing the groundwork to layout new underground infrastructure.

There's no question that the business of digging with pressurized water is boring. But sometimes boring is beautiful, especially if you can get into such a name at a discount. Shares of Badger are down just shy of 38% from all-time highs and are trading at a mere 2.8 times book, the lowest it's been in over eight years.

With the U.S. ramping up infrastructure spending, with \$1 trillion to give the economy a jolt after the coronavirus crisis, the demand for Badger's services will stand to increase substantially. Moreover, as the weight gradually comes off the shoulders of the ailing O&G sector, Badger could stand to see a bit of pressure fall off its stock over the next year and beyond.

Bank of Montreal: The best bank for your buck

Next up, we have what I believe is the best bank for your buck at today's juncture. **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) isn't some low-quality regional bank with a sub-par management team who's lost control of the ship amid this horrendous coronavirus typhoon (that just happened to hit when Canada was enduring a rare credit downturn). Still, it sure is priced like it, with the stock trading at a slight discount to book.

While loan loss provisions for the second quarter were excessive, given the likelihood that peak provisioning for the Canadian banks may now be behind us, as the economy reopens for business, now is as good a time as any to be a buyer of a battered bank like BMO before it has a chance to rebound abruptly as it did in 2009.

If you bagged any one of the Canadian banks in the depths of the Financial Crisis, you walked away with a very quick double and locked in an above-average dividend yield.

This time around, the circumstances are different. BMO and its peers are much better capitalized, and they're no longer sitting at ground zero of the crisis. Despite this, they're still being tossed out as though the 2020 coronavirus crisis is a repeat of the 2008 meltdown.

The move doesn't make sense, especially for a premium Big Six name like BMO, which doesn't deserve to trade at 0.96 times book.

If you're looking to lock-in a massive 5.5% yield alongside what could be outsized capital gains, BMO is one of the best buys you'll likely make this June.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. TSX:BDGI (Badger Infrastructure Solutions Ltd.)
3. TSX:BMO (Bank Of Montreal)

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Date

2025/07/19

Date Created

2020/06/22

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