If You Have $6,000 to Invest, Here Are 2 Great Stocks to Buy Right Now

Description

With the economy doing so well over the last decade, value investors interested in Canadian stocks did not have much to consider in terms of bargains. The COVID-19 pandemic came along to decimate global economies.

It resulted in many investors seeing double-digit losses and plenty of stocks taking a steep nose-dive. However, the downturn also opened up plenty of opportunities that value investors might have been waiting for.

Of course, not all the stocks that declined present value buys. Many overbought companies also experienced a price correction. To be a successful investor, you need to recognize oversold companies that have the kind of fundamentals that represent better share prices and avoid value traps.

If you have $6,000 and you want to put it to good use, I would advise investing in the likes of **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS) and **Restaurant Brands International** (TSX:QSR)(NYSE:QSR).

High-quality financial institution

The market's weakness pushed several high-flying companies into oversold territory. Scotiabank is among the most significant stocks to fall victim to the panic-fueled sell-off frenzy. BNS is the third-largest bank in the country based on its market capitalization. It reported better-than-expected earnings in its last quarter, despite the pandemic.

The excellent dividend yield and a discounted share price make BNS a highly attractive buy right now. The bank has seen several economic downturns over the years, and it came out strong every time.

I do not think that the bank will make an immediate recovery or come out unscathed after the dust settles from COVID-19. Still, BNS has enough diversified income-generating sources and a high-quality loan portfolio to experience a better recovery than most others.

At writing, the stock is trading for $55.62 per share with a juicy 6.47% dividend yield. Religiously paying its shareholders their dividends for almost 190 years, the bank might be well poised to weather this storm and continue helping investors make an income.

A Warren Buffett stock

The second value stock I would advise closely considering is one of the two Warren Buffett stocks on the TSX. Restaurant Brands International recently managed to outperform the broader markets. The stock rose more than 86% since its low in March 2020, while the **S&P/TSX Composite Index** was up only 37% in the same period.

The restaurant stock soared as economies began to reopen. QSR expects a more rapid recovery than most of its peers. However, the operator of Burger King, Popeyes, and Tim Hortons has to remain cautious. Even with its locations opening up, the company will operate at a reduced capacity to maintain social-distancing measures, and that can weigh on the stock.

However, its long-term growth prospects make Restaurant Brands an excellent addition to any portfolio. Warren Buffett is famously known for exclusively investing in American companies. QSR happens to be one of the only two companies that the Oracle of Omaha has added to his successful portfolio.

At writing, the stock is trading for $75.63 per share, and it pays investors at a 3.72% dividend yield. While it may seem like it is trading for a premium right now, I think QSR has a long way to go in terms of capital gains as markets recover.

Foolish takeaway

If you have an additional $6,000 lying around, I would advise using the cash to substantially grow your wealth by parking it in excellent stocks trading for a discount. I think Scotiabank and Restaurant Brands International could be fantastic additions to your portfolio with the $6,000.

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2. NYSE:QSR (Restaurant Brands International Inc.)
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Date
2025/08/26
Date Created
2020/07/02
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