



Wherever the Market Goes, I'm Buying These 3 Under-\$30 TSX Stocks

Description

The quick recovery in equities despite the coronavirus's continued spread led many to believe that stock markets could crash again. The argument might hold given the uncertainty and a resurgent virus in the background. However, the significant amount of liquidity poured into the economy through massive stimulus packages and the gradual recovery in demand suggests otherwise.

While the trajectory of the stock market going forward remains highly uncertain, I am confident in a handful of Canadian stocks that could continue to perform well and generate healthy returns irrespective of where the market goes.

You don't require a lot of money to buy these **TSX**-listed stocks offering stability, growth, and income as they are available under \$30.

A gold producer

While physical gold prices have simmered down a bit, the fear of a recession, uncertain economic outlook, and continued spread of the virus is likely to keep the demand high for the shiny yellow metal and support prices in 2020 and beyond. Thus, it's feasible to allocate some portion of your portfolio in stocks of companies producing gold.

Kinross Gold ([TSX:K](#))([NYSE:KGC](#)) is one such stock that should be on your radar, thanks to its robust production and [cost guidance](#). The gold mining company expects its production to increase by 20% over the next three years. Meanwhile, its cost trajectory is projected to go down, which is encouraging.

The increase in production and a downward trend in the cost of sales should result in margin expansion, drive robust free cash flows, and support the uptrend in its stock.

Also, Kinross Gold reinstated its dividends, while its stock looks attractively priced at the current levels. Its stock is trading at a forward EV-to-EBITDA multiple of 5.4, which is significantly lower than the peer group average.

A solid cybersecurity company

As the demand for the security and management of data, apps, and computing devices increase amid rising cybersecurity threats, investors should zero in on the shares of **Absolute Software** (TSX:ABT).

Shares of Absolute Software are likely to gain from the significant industry-wide tailwinds, including a structural shift toward distance learning and remote work and growing spending on cybersecurity. Also, a large addressable market and a lower competitive activity further support its revenues and earnings, in turn, its stock.

Absolute Software has a strong client base with a very high retention rate. Meanwhile, its growing recurring revenue base and launch of new products should accelerate its growth further. The company is also debt-free, while its stock is available at a [massive discount](#) as compared to its tech peers. Investors should note that Absolute Software offers quarterly dividends of \$0.08, reflecting a decent dividend yield of about 2%.

A utility giant

Similar to gold, investors can safely rely on utility stocks amid uncertainty. Utility companies deliver predictable cash flows that support their stock and payouts, thanks to their rate-regulated business. **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is one such top utility stock investors could consider buying for its dividends, stability, and growth.

The rate-regulated utility and renewable energy assets are likely to generate stable cash flow and boost shareholders' returns through higher dividends.

With the expansion of its electric transmission and renewable energy business and strategic acquisitions, Algonquin Power & Utilities is likely to generate healthy growth in the coming years. The company has raised its dividends for the past 10 years and currently offers a high dividend yield of about 4%.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Metals and Mining Stocks
4. Tech Stocks

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:KGC (Kinross Gold Corporation)
3. TSX:ABST (Absolute Software)

4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:K (Kinross Gold Corporation)

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Author

snahata

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