2 Undervalued Stocks You Will Kick Yourself Later for Not Buying

Description

Investors should look at two great stocks that appears undervalued in 2021. Now would be an excellent time to consider taking positions in the world's top gold producer and a leading supply chain management software provider.

Yellow and red metals

Barrick Gold (TSX:ABX)(NYSE:GOLD) remains the top dog in the metals and mining industry. However, its lustre is temporarily dim. Still, it's a golden opportunity to snag it while the share price is only $26.42. Don't think of the asset as a pure gold play, because it produces another commodity vital to renewable energy.

The $46.93 billion company explores for and produces not only gold but copper too. Exposure to copper could be the tailwind until the super cycle of gold is back. Copper is a highly versatile metal. You can use it for wiring and in batteries, motors, and pipes.

Authorities in copper-producing nations want a more significant share of revenues. Because prices are booming, governments could use the windfall to fund fiscal stimulus to boost pandemic recovery. Colin Hamilton, managing director for commodities research at **BMO** Capital Markets, said, "We could certainly see more examples of this in the coming months."

For Mark Bristow, Barrick's CEO, copper is a strategic commodity underpinned by electrification. From a production perspective, the red metal is compatible with the yellow metal. The gold stock appears undervalued at the current share price. It pays a modest 1.69% dividend.

Higher growth is coming

The first quarter of 2021 was brutal for the information technology sector. Value-adding cloud player **Kinaxis** (TSX:KXS) is down 13.29% year to date following the recent sell-off. As of April 12, 2021, the share price is only $156.37, or 17% lower than it was on February 2, 2021.

This tech stock is worth buying now, because it's trading below intrinsic value. The $4.23 billion company offers the best-in-class supply-chain management software. Also, the profit taking and rotation out of the tech sector are temporary. Kinaxis is the top pick if you're looking for a growth story.

Market analysts are bullish and recommend a buy rating. Kinaxis shares could very well soar 14% to $178.47 once it breaks out. The business should endure and emerge stronger in post-pandemic. With the global supply chain under threat due to the pandemic's impact, digital transformation becomes extremely necessary.

Kinaxis has enhanced technological capabilities to transform AI for supply chains. Vital industries such as consumer products, industrial, retail, and life sciences would need solutions to improve supply and demand planning. The strong sales momentum returned in Q4 2020.

Software-as-a-Service revenue grew 24% versus Q4 2019, while growth was 25% for the year compared with the previous year. Management expects the current momentum to sustain given the continued recovery and return to the typical business environment. More manufacturers now recognize the urgency in driving hyper-agility in their respective supply chains.

John Sicard, Kinaxis's president and CEO, maintains a positive outlook. Higher growth is coming in 2022 and beyond. The company forecasts total revenue of between $242 and $247 million in 2021 and a 17% to 20% SaaS growth.

Bottom line

Include Barrick Gold and Kinaxis in your shopping lists in Q2 2021. You might feel a sense of loss not initiating positions while the stocks seek out their actual value.

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2. TSX:ABX (Barrick Mining)
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Date
2025/08/23
Date Created
2021/04/15
Author
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