



## TSX Today: Here Are the Bargains

### Description

Who would have thought that the **TSX** today could have already recovered from the flash market crash last year? In fact, the TSX is making new heights on the expected strong comeback of the economy.

Specifically, the TSX has appreciated 70% from the market crash bottom. That said, since it's up about 11% from before the crash, one could say the market is at a normal level.

Are there still bargain stocks to be found? On a closer look, better value can be discovered in energy, precious metals, commodities, and small caps.

### Energy stocks

In the energy sector, there's **Canadian Natural Resources**, which amazingly remained a Canadian Dividend Aristocrat through the pandemic. It just increased its quarterly dividend by 10.5% last month and yields about 4.8%. The large oil and gas producer also has roughly 16% near-term upside potential.

**Suncor Energy** trades at a bigger discount, because it cut its dividend during the pandemic. The large-cap integrated oil and gas stock yields 3.1% and has approximately 25% upside potential over the next 12 months. Should the energy stock start increasing its dividend again, it could even climb higher.

A safer source of income in the energy sector is large energy infrastructure stocks like **Enbridge**. The stock provides an attractive yield of 7.2% and near-term upside potential of about 12%.

### Precious metals stocks

The money printing around the world is making fiat currencies worth less. This should, in theory, make precious metals like gold and silver worth more. Therefore, precious metals royalty and streaming companies like **Franco-Nevada** ([TSX:FNV](#))([NYSE:FNV](#)) and **Wheaton Precious Metals** ([TSX:WPM](#))([NYSE:WPM](#)) could actually be super cheap.

Additionally, these precious metal stocks tend to move differently from the market, which could be excellent additions for diversification purposes.

Franco-Nevada is a leading gold-focused streaming and royalty company. It's a low-risk gold investment to protect against market instability. Its portfolio consists of 401 assets, including 319 in gold and 82 in energy.

Furthermore, Franco-Nevada is a Canadian Dividend Aristocrat with 13 consecutive years of dividend increases. It last declared a dividend hike of 4% in February, which aligned with its five-year dividend-growth rate of 4.4%. Currently, it yields 0.9%.

[Wheaton Precious Metals](#) is one of the biggest precious metals streaming companies on the planet. Partnering with companies like **Barrick**, **Pan American**, and **Eldorado**, it has 30 assets across its portfolio. WPM increased its dividend in the last two quarters, leading to a trailing 12-month dividend increase of 21.6% year over year. As a result, its dividend yield of 1.3% is more attractive than Franco-Nevada's.

Because both Franco-Nevada and Wheaton Precious Metals do not operate, develop, or explore for mines, but instead have a diversified portfolio of royalties or streams, they enjoy low costs of operation and high margins.

## Commodity and small-cap stocks

Many commodities have also been doing well lately. If you're bullish on lumber and copper, you might consider names like **West Fraser Timber** and **Teck Resources**.

Diamonds in the rough can more likely be found in small-cap stocks. Many small caps are under the radar from the investing community and under covered by analysts. If you're interested, consider researching for ideas on the [TSX Venture 50 list](#).

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Metals and Mining Stocks

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:FNV (Franco-Nevada)
2. NYSE:WPM (Wheaton Precious Metals Corp.)
3. TSX:FNV (Franco-Nevada)
4. TSX:WPM (Wheaton Precious Metals Corp.)

## **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

## **Category**

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Metals and Mining Stocks

## **Tags**

1. Editor's Choice

## **Date**

2025/08/23

## **Date Created**

2021/04/15

## **Author**

kayng

default watermark

default watermark