



3 Cheap Stocks to Buy on the TSX Today

Description

If you're looking for passive income, there are plenty of stocks on the **TSX** today to get you there. With a Tax-Free Savings Account (TFSA), you can bring in income for the rest of your life, even with just a few investments. But cheap stocks are even better. These can build wealth the longer you hold them. That reduces your risk and allows you to see large returns through a small investment.

So, here are three cheap stocks for June that can get you started.

Renew your investments

One of the best places to put invest in cheap stocks today is through renewable energy. This area is set to make massive returns in the years to come and not just in the next few decades. Around the world, about \$10 trillion is expected to be invested in this area over the next decade. That's a huge opportunity, and one that should have you looking for cheap stocks that could turn into multi-baggers.

One such company is **Ballard Power Systems** ([TSX:BLDP](#))([NASDAQ:BLDP](#)). The company's fuel-cell program powers everything from buses to trains, and it continues to make [strong joint ventures](#) that should see its revenue rise for decades. While the stock may be volatile right now given the downturn in tech and energy stocks, long-term holders should see massive growth.

The fuel cell industry is estimated to rise by an annual rate of 26% in the next few years. With costs being cut on a consistent basis, governments are deploying more fuel-cell vehicles. Shares are now up 42% in the last year but down 62% from all-time highs. That provides the perfect chance to jump on this stock on the TSX today.

Safety first

If you want to see consistent growth from your investment over the coming decades, bet on the Big Six banks. These banks, including **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), have performed well, even during market crashes. It came back to pre-crash levels within a year during the last two crashes.

That makes it a safe option among cheap stocks today.

And even though TD stock trades at all-time highs, its compound annual growth rate (CAGR) of 12% over the last decade and strong future outlook make it a solid investment. Plus, investors get access to the dividend yield of 3.57%. As TD stock continues to expand, with increased loan repayments and growth in consumption, revenue should [continue to soar](#). TD stock is therefore still a bargain trading at 1.8 times book value on the TSX today.

Shop on the TSX today

It may not seem cheap, but I still consider **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) a deal on the TSX today. I include it among cheap stocks because of how far it's dropped since the beginning of the year. It reached \$1,900 a couple months back and then fell and stabilized around \$1,300 to \$1,400 per share. Today, it continues to trade at almost \$1,500 per share, and that's a deal in my book.

The company is still in its beginning phases of growth, though in a booming industry. The e-commerce industry is set to explode over the next decade, and that was set to happen even before the pandemic. Now that the pandemic kicked things into high gear, Shopify stock has a massive amount of money it can use for reinvestment, and that's exactly what it's doing.

Investors looking to invest in Shopify stock and hold on may feel some volatility in the next few years, but long-term holders will be thrilled by performance. Shares in Shopify stock are up 29% in the last year alone but 4,677% since its initial public offering. And there is still even further to go on the TSX today.

CATEGORY

1. Coronavirus
2. Investing
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TICKERS GLOBAL

1. NASDAQ:BLDP (Ballard Power Systems Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:BLDP (Ballard Power Systems Inc.)
5. TSX:SHOP (Shopify Inc.)
6. TSX:TD (The Toronto-Dominion Bank)

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