



Got \$1,000? 3 Cheap Stocks to Buy Now

Description

Inflation is coming whether we'd like to think about it or not. Banks predict it will rise to 2.5% in 2021, and 2.2% in 2022. But there *is* a way to fight it. Rather than looking to the short squeezes or volatile cryptocurrency industry, you can seek out reliable companies with stable growth. Here are three cheap stocks to buy now as a long-term investment.

TD stock

Canadian bank stocks performed as some of the best in the world yet again in the last volatile years. The government provisions for loan losses should help reverse the last year's economic downturn, ultimately improving bottom lines for all of the Big Six Banks.

But **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is likely to come out ahead of the rest. The almost \$160 billion company is the second largest of the Big Six Banks, and recently released its second-quarter earnings. It remained not just encouraging, but astounding with its 144% year-over-year increase in earnings to \$3.7 billion!

Since Canadians didn't get to travel or spend money as they usually would, many saved up their cash and paid down loans and debts. Bad loans became far lower than expected. TD stock offered multiple ways to pay down debt, creating a solid revenue stream.

Meanwhile, it continued to invest in growth projects such as its online presence and U.S. expansion. TD stock has more revenue than ever and even increased its dividend yield. TD stock now offers a dividend yield of 3.6% as of writing. All of this means the bank should see a strong recovery post-pandemic. It's one of the best cheap stocks to buy now.

Lightspeed stock

A lot of investors have pretty much given up on tech stocks or at least they've moved on to the next big thing. Don't be so hasty, however. Inflation is on the way and tech stocks during this pullback are going

to be solid investments to get out on top. One of the best cheap stocks to buy now therefore has to be **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)).

Lightspeed stock has been on an [acquisition spree](#) over the last year. Most recently it made two acquisitions totally US\$975 billion, bringing its total spent on acquisitions since January 2020 to just shy of US\$2.3 billion. Management stated this solidifies its strategy for the next five years, supporting a better connection between merchants, suppliers, and consumers.

Driven by these acquisitions, it's clear that at the minimum Lightspeed stock will increase its revenue over the next few years. But beyond that, investors are likely to continue seeing substantial growth as the company continues to expand within the e-commerce space. Shares are up 170% in the last year alone!

Air Canada stock

Finally, **Air Canada** ([TSX:AC](#)) remains one of the best cheap stocks to buy now, but only for [patient investors](#). If you're looking for a short squeeze, don't get into Air Canada stock. This is still a long-term buy with strong multiples to take into consideration.

The pandemic is almost over with vaccinations rolling out, and many Canadians are already receiving a second dose. That means the Canadian government is primed to create a tourism strategy to see flights back in the air. Air Canada stock is listening intently for such an announcement.

That's because Air Canada stock continues to see losses of around \$14 million per *day* from grounded flights. Renewing tourism before the September rush for the holiday season is just what the company needs — that and to stop handing out bonuses to management during a crisis.

Shares are only likely to edge higher, but perhaps at a rate slower than some anticipated. So hold onto Air Canada stock during the recovery. A decade from now you'll be glad you did.

CATEGORY

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1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:AC (Air Canada)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:TD (The Toronto-Dominion Bank)

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