



2 Cheap Stocks I'd Buy Now and Never Sell

Description

The stock market is full of risk right now. After shares of the **TSX** surpassed the 20,000 point mark, there has been a downward trend. Investors are looking for the growth that they enjoyed back in 2020. Sorry, but 2020 is over. We're getting back to normalcy, and that's a good thing. We're not there yet, but don't worry. There are still some cheap stocks I'd buy today and never sell.

But wait, why wouldn't you sell stocks? Isn't that the point? Not necessarily. If you find the right stocks, [reinvesting over the long term](#) means you can create substantial wealth and also enjoy passive income. This comes from dividend stocks. The more you invest, the more passive income you receive. And the best part? It doesn't sway or dip with the markets. It's steady as a rail. If you buy the right stock.

So here are two cheap stocks that offer this solid income. Each also offers substantial growth at a cheap price so you never have to sell until it's absolutely necessary.

Stock sectors on sale

At first glance, the stock market looks like a scary place right now. But there are areas of the market offering discounts for those who buy now. Cheap stocks can be found especially in two sectors: tech and clean energy. And what's more, you can actually find dividend stocks in both sectors.

Both areas have seen a pullback over the last few months. Tech stocks climbed during the pandemic, but investors worried about what the post-pandemic would mean for revenue. Then there's renewable energy, which saw sky-high prices when United States President Joe Biden took office.

But again, investors wanted their earnings. So while there might be some short-term volatility over the next few years, don't worry. These cheap stocks will also deliver strong dividends.

Cheap choice 1: Brookfield Renewable

Clean energy companies are some of the best investments around today. If you can find real estate investment trusts that own multiple energy assets, even better. And that's why my first choice would be to buy up **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) right now.

Cheap stocks in the energy sector offer strong long-term returns. The world is shifting to clean energy, with an estimated \$10 trillion being put into clean energy assets around the world over the next decade.

President Biden has committed to putting billions into the sector as well, which is why shares climbed back in January. Shares climbed 85% between June 2020 and January 2021, but have since slumped by 11%. Now, shares are slowly starting to climb back up, creating a short opportunity to buy. Right now you can pick up shares for \$48, that's trading at 2.2 times book value. A steal if I ever saw one.

What's more, the proof is in the past for this stock. Shares are up 2,386% in the last two decades. That's a compound annual growth rate (CAGR) of 17.42%! And you can now lock in a dividend yield of 2.51%. It doesn't get much better than that.

Cheap choice 2: Open Text

Like Brookfield, **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)) has had a wild ride this last year. Shares crashed by 35% back in October, then quickly rallied to stabilize. To date, we're really almost exactly where we were a year ago with Open Text stock. But that's what makes this still one of the best cheap stocks around in my book.

Open Text is one of the few tech stocks with a strong past *and* a strong future. The company has been [growing through acquisitions](#) for decades. But today it's now working on partnerships. Open Text has seen companies like **Alphabet** buy up its cloud security services, creating substantial revenue for future shareholders.

Similar to Brookfield, the stock has been a multi-bagger over the last two decades. Shares are up 1,356% during that time, and it's why the company is likely now offering dividends to investors. It's done the investment and buying and is now able to share some of its wealth. You simply do not get that from tech stocks.

Today you can pick up Open Text stock for trading at 3.3 times book value, a CAGR of 14%, and a dividend yield of 1.61%. By holding this stock for decades, you're bound to see future growth beyond your wildest dreams.

CATEGORY

1. Coronavirus
2. Energy Stocks
3. Investing
4. Personal Finance
5. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)

2. NYSE:BEP (Brookfield Renewable Partners L.P.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:OTEX (Open Text Corporation)

PARTNER-FEEDS

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

Category

1. Coronavirus
2. Energy Stocks
3. Investing
4. Personal Finance
5. Tech Stocks

Date

2025/07/17

Date Created

2021/06/14

Author

alegatewolfe

default watermark

default watermark