ALERT: 3 Cheap Stocks to Buy Today

Description

The **S&P/TSX Composite Index** was down 101 points in early afternoon trading on June 28. Canadian markets have run into some resistance after rushing back to record highs. Fortunately, this environment has created a buying opportunity for investors in late June.

Today, I want to look at three cheap stocks that are worth a look. Let's dive in.

A weaker Canadian dollar may be good news for Stella-Jones

The Canadian dollar had suffered from turbulence in the early part of 2018. At the time, I'd looked at stocks that were well-positioned to benefit in this climate. In June, the Canadian dollar has weakened against its U.S. counterpart.

Stella-Jones (TSX:SJ) is a cheap stock that has traditionally performed well in the face of a weak Canadian dollar. It produces and markets pressure-treated wood products, many of which are shipped south of the border. A weaker Canadian dollar creates an environment more friendly for its top customer.

Shares of Stella-Jones have dropped 4.9% in 2021 as of early afternoon trading on June 28. The stock is still up 30% from the prior year. In Q1 2021, the company reported sales growth of 23% compared to the previous year. Meanwhile, EBITDA climbed 57% to $99 million. Net income also doubled to reach $56 million or $0.85 per share.

The stock last had a favourable price-to-earnings ratio of 12. Better yet, Stella-Jones boasts an RSI of 31, putting the stock just outside of technically oversold territory.

This cheap stock is worth your attention

Westshore Terminals (TSX:WTE) is a Vancouver-based company that operates a coal storage and loading terminal. Shares of this cheap stock have climbed 11% in the year-to-date period. However, it is down 6.6% month over month.

The company released its first-quarter 2021 results in early May. Profit before taxes rose marginally to $40.4 million compared to $39.8 million in the prior year. Tonnage shipped in Q1 2021 came in at 8.0 million tonnes – up from 7.7 million tonnes in Q1 2020. However, operating and administrative expenses and net finance costs rose from the previous year.

This cheap stock last possessed an attractive P/E ratio of 8.6. Westshore offers a quarterly dividend of $0.20 per share, representing a solid 4.6% yield. Moreover, the stock has an RSI of 31, putting it just shy of oversold levels.

One housing-focused stock that has sent off a buy signal

Canada's housing market has been red-hot over the past year. This has led to a surge in housing-focused equities. **Equitable Group** (TSX:EQB), one of the top alternative lenders in the country, was a big beneficiary in this environment. Its shares have climbed 94% year over year at the time of this writing.

Equitable Group stock has dropped 2.8% over the past month. Canada housing sales have slowed in the late spring. However, they are still hovering around record levels compared to previous years. Frothy conditions will persist in this low-interest-rate environment.

Shares of Equitable Group possess a very favourable P/E ratio of 8.8. Moreover, this cheap stock dipped into oversold territory in the middle of the month. It is still worth a look today.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:EQB (EQB)
2. TSX:SJ (Stella-Jones Inc.)
3. TSX:WTE (Westshore Terminals Investment Corporation)

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