



4 of the Best TSX Stocks to Buy if the Market Falls in July

Description

The Canadian stocks have turned mixed in July after posting consistent gains in the previous five quarters. The **TSX Composite Index** is currently trading with 0.5% minor gains for the month. As the latest earnings season is approaching, investors seemed to have turned a little cautious. Nonetheless, I always advise long-term investors can stay focused on buying fundamentally strong stocks without worrying about short-term [market corrections](#).

Here's a list of four Canadian stocks to buy if the market falls this month due to investors' seemingly temporary concerns about a possible slowdown in economic growth.

Kirkland Lake Gold stock

Kirkland Lake Gold (TSX:KL)(NYSE:KL) is a Toronto-based gold mining firm with a market cap of \$13 billion. Its stock is currently trading at \$49.03 per share with about 6.8% year-to-date (YTD) losses against a more than 16% rise on the **TSX Composite Index**. While KL stock has underperformed the market this year, it could be a great bet for long-term investors.

In the last couple of years, Kirkland Lake Gold's bottom line has [improved](#) significantly along with strong profit margins. While a recent drop in gold prices may hurt its margins in the short term, its long-term earnings and profitability growth outlook remain strong.

Thomson Reuters stock

Thomson Reuters ([TSX:TRI](#))(NYSE:TRI) could be another fundamentally good stock to buy in July. Its stock is currently trading at \$126.31 per share with about 21.2% YTD gains.

The company generates most of its revenue from its legal professionals' segment. The segment accounted for more than 40% of its total revenue in 2020. Interestingly, this segment is also the most profitable business segment for Thomson Reuters. The company's adjusted net profit margin stood at 15.4% last year — much stronger compared to 10.9% in 2019.

While its dividend yield of 1.6% might not look attractive, its consistently growing dividends and strong business growth make its stock worth buying for long-term investors.

Teck Resources stock

Teck Resources ([TSX:TECK.B](#))([NYSE:TECK](#)) is a Vancouver-based metal mining company with its main focus on copper, zinc, and steelmaking coal production. The company currently has stakes in 10 mines located in many countries, including Canada, the United States, Chile, and Peru.

Last year, Teck Resources reported a 64% year-over-year drop in its adjusted net profit to \$561 million. COVID-19 driven restrictions and a sudden decline in metal demand badly affected its financials. Nonetheless, its profits already started showing significant improvements in the first quarter this year amid reopening economies. That could be one of the reasons why analysts expect its 2021 bottom line to be higher than the 2019 levels.

Teck Resources stock is currently trading at \$29.28 per share with about 26.8% YTD gains. You can expect it to continue surging the second half of the year as its financial outlook continues to improve.

Constellation Software stock

Constellation Software ([TSX:CSU](#)) could be another great TSX stock to buy if the market falls in the coming weeks. It's a Toronto-based enterprise software company that focuses on acquiring and managing software businesses.

In the last 10 years, its stock has yielded about 2,500% positive returns — making it one of the most attractive Canadian [tech stocks](#) to invest in. Despite the COVID-19 related challenges, Constellation Software continued to report strong 23% growth in its adjusted earnings last year. Analysts are expecting its earnings to continue rising by more than 20% this year as well.

Constellation Software's strong and stable profitability and a consistent sales growth track record make its stock worth buying if a market-wide correction in July takes its stock lower.

CATEGORY

1. Energy Stocks
2. Investing
3. Metals and Mining Stocks
4. Stocks for Beginners
5. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. NYSE:TECK (Teck Resources Limited)
3. TSX:CSU (Constellation Software Inc.)
4. TSX:TECK.B (Teck Resources Limited)
5. TSX:TRI (Thomson Reuters)

PARTNER-FEEDS

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

Category

1. Energy Stocks
2. Investing
3. Metals and Mining Stocks
4. Stocks for Beginners
5. Tech Stocks

Date

2025/06/30

Date Created

2021/07/12

Author

jparashar

default watermark

default watermark