



3 of the Best Value Stocks to Buy Under \$50 in August 2021

Description

Today, I will talk about a famous quote of [Warren Buffett](#): “Price is what you pay. Value is what you get.” You must have heard about the buy-and-hold strategy. While it works for some, it doesn’t work for all stocks. For instance, if you’d purchased **BlackBerry** stock at its peak in 2007, all these years of holding it gave you nothing. It’s not your fault. Even Warren Buffett [held on](#) to some sinking ships. He admitted that had he exited those stocks and invested elsewhere, his fortune would be a lot bigger.

Value is what you get

Which stocks you should hold and at what price? Here are three value stocks currently trading at a cheap price. They hold significant value in the long term. And the best part is, all these stocks are trading below \$50 per share.

Hive stock

Trading below \$3, **Hive Blockchain Technologies** ([TSXV:HIVE](#)) is a highly volatile stock but could grow significantly. Hive mines cryptocurrencies at its data farms in cold countries. The two crypto bubbles pushed the stock up more than 4,400% in the past nine years.

The crypto bubble burst will weaken Hive’s fundamentals, as it earns a major chunk of its revenue by selling mined currencies. With Bitcoin and Ethereum prices down, it will derive lower value for its inventory. This is the right time to buy the stock and hold it. When there is another crypto wave, the stock will give you the value for your money by surging 700-800%. Hive is also exploring other uses of blockchain technology and its computing capacity to diversify its revenue streams.

Suncor Energy stock

Oil is a commodity that is rarely out of demand. The oil price is something producers cannot control, but what they can control is cost. **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) stock fell over 19% this month, as the rising cases of the Delta COVID variant and an ongoing dispute between two Organization of the Petroleum Exporting Countries (OPEC) over oil production put downward pressure on the oil price.

Moreover, environmental concerns around the oil sands project have added additional costs for Suncor. It has [proposed](#) a US\$60 billion net-zero emission initiative along with other oil sands companies.

This is the right time to buy Suncor stock. While the emission initiative is a long shot, the recovery in air travel demand will drive up oil demand, and Suncor could benefit from it.

SmartCentres REIT

The global recovery is happening in phases. There will be partial lockdowns in some regions, but gradually things are returning to normalcy. **SmartCentres REIT** ([TSX:SRU.UN](#)) is benefiting from this. Its main business is collecting rent from merchants to whom it rents out stores. However, the REIT has been developing mixed-use properties around its existing ones to increase the value of its stores.

It sells some residences and condos and rents out some residential and office properties that it is building in the prime regions of Canada. The REIT survived the 2009 Financial crisis and the 2020 pandemic without announcing dividend cuts. This shows its resilience to an economic crisis.

The stock offers an annual dividend yield of 6.16%. Although the stock doesn't show any capital appreciation, it is a buy at any dip.

Foolish takeaway

These value stocks can give you steady returns for the long term. A buy-and-hold strategy works best for such stocks.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)
3. TSX:SU (Suncor Energy Inc.)
4. TSXV:HIVE (Hive Blockchain Technologies)

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