



Want Cheap Stocks? This Will Help Build Your Portfolio!

Description

Motley Fool investors have been on the hunt for growth. But by the time they find cheap stocks that are [due to boom](#), they likely have boomed and sometimes even busted. Investors have been taking on unnecessary risk just in the hopes of making a buck. After all, we all know that one individual who made thousands on a stock, and we're hoping to do the same!

But honestly, you can do that and take on far less risk. That's by finding cheap stocks that are due for stable growth. One industry I would watch right now is construction.

Build it and they will come

During the pandemic, construction of all sorts came to a standstill. Sure, it meant you didn't have as much of a problem with construction on the street; that was nice. But from oil projects and mining to office towers and bridges, all types of construction just came to a halt.

And that's exactly where investors should be looking today. You don't have to wait for the pandemic to be completely over to get in on the action. Cheap stocks in the construction sector will start seeing revenue increase again and again. And that's not just from announcing future projects, but a backlog of projects that could last years, even decades.

Among these cheap stocks, today I would consider **Bird Construction** ([TSX:BDT](#)).

Taking off

Shares of Bird have already started soaring during the last year, with shares up 50% in the last year alone. Yet the company [remains a steal](#), trading at a P/E ratio of just 9.97 as of writing. That's despite entering the pandemic in a strong financial position and remaining in one even today. In fact, analysts believe the company could continue to weather the storm should COVID-19 continue to cause lockdowns.

But it doesn't look like that will be the case. Government-funded projects have helped Bird in a recovery, and second-quarter results were strong. The company saw sales increase 97%, hitting a record of \$556 million! Meanwhile, the backlog hit an all-time high, up 69% year over year. Of that backlog, about half should become revenue during this next year, as the company starts getting these projects online.

And even with all this share growth, analysts believe there is still a potential upside of around 20% in the next year. Sales are likely to continue to climb over the next year and beyond as well as restrictions ease further and further. The company is one of the cheap stocks you can buy knowing you aren't taking on risk, with strong books and a stable future ahead. And all this you get while also receiving a dividend yield of 4.04%.

Foolish takeaway

The construction industry is on the recovery, so Motley Fool investors looking for a rebound from cheap stocks should watch it closely. Not only could you see your shares in a company like Bird do well short term, but you could end up with a [long-term hold](#) you'll be happy to have for decades.

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Date

2025/06/27

Date Created

2021/09/01

Author

alegatewolfe

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