



## TMX Group Stock: Why I'm Buying Low Today

### Description

**TMX Group** ([TSX:X](#)) is a Toronto-based company that operates exchanges, markets, and clearinghouses for capital markets in Canada and around the world. Today, I want to discuss the turbulence that this Canadian stock has combatted in recent trading sessions. Moreover, I'll [discuss](#) why I'm looking to snatch up TMX Group stock on the dip.

### Why TMX Group stock has lost momentum in the first two months of 2022

Shares of TMX Group were down 1.9% in early afternoon trading on February 17. This has pushed the stock into negative territory in the year-to-date period. Its shares are up marginally year over year.

North American markets have run into volatility to start 2022. It should come as no surprise that TMX Group has been impacted by this turbulence. That said, I'm still very bullish on this company and stock for the long term.

### Here's why I'm so bullish on this stock going forward

Financial markets have significantly expanded since the Great Recession. TMX Group has been a big beneficiary of this trend. The company released its fourth-quarter and full-year 2021 earnings on February 7.

The company reported total revenues of \$219 million — up 15% from the previous year. Meanwhile, adjusted diluted earnings per share climbed 24% year over year to \$1.56. TMX Group was powered by a very strong year on Canadian and global markets that saw its client raise significant capital. The company has its eyes on global growth going forward.

TMX Group reported cash flow from operating activities of \$103 million — up 2% from the second quarter of 2020. Meanwhile, the company reported after-tax net income of \$99.0 million — up 22%

from the previous year.

Beyond its strong 2021, TMX Group is set to benefit from promising broader trends in the financial space. The rise of accessible online brokerages like **Robinhood** have made active investing even more attractive to the general population. This means financial markets will experience even more engagement in the years ahead. TMX Group has even dipped its toe into the booming cryptocurrency space.

## Should you buy TMX Group stock today?

Back in November 2021, I'd looked at some of the top [Canadian stocks for millennials](#) to target for the future. TMX Group belongs in that elite company. Young and old investors alike should feel comfortable betting on the continued growth of financial markets. The COVID-19 pandemic did little to curb growth in this space and drew even more casual investors to follow their brokerage of choice.

TMX Group stock has been a consistent performer since dipping below the \$100 mark during the [March 2020](#) market pullback. Shares of this TSX stock possesses a favourable price-to-earnings ratio of 21. In Q4 2021, TMX Group announced a quarterly dividend increase of 8% to \$0.83 per share. That represents a 2.6% yield. Better yet, TMX Group qualifies as a Dividend Aristocrat for its impressive recent history of annual dividend increases. I'm looking to snatch up this promising TSX stock on the dip, as we approach the final weeks of February.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:X (TMX Group)

### PARTNER-FEEDS

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

### PP NOTIFY USER

1. aocallaghan
2. kduncombe

### Category

1. Investing

**Date**

2025/08/12

**Date Created**

2022/02/17

**Author**

aocallaghan

default watermark

default watermark