Top Stock Market Bargains I'd Buy Today

Description

The stock market doesn't serve up bargains all too often, but when it does, beginner investors need to be ready to act. Like it or not, market corrections and crashes will not signal to you when the bottom is in. That's why it's so important to take any market forecaster predictions with a very fine grain of salt.

With various big financial institutions queuing up their S&P 500 full-year downgrades, investors may be in a spot to lower the bar on the stocks they would have bought had it not been for the current state of the macro environment. It's gotten worse. Russia's invasion of Ukraine could add even spark even higher inflation (next stop 8-10%?) and take a big bite out of worldwide economic growth. Could it pave the way for stagflation? I wouldn't rule it out. It's a horrific scenario that could send us right back into a recession.

With the flat yield curve at high risk of inversion, another recession seems inevitable. Indeed, the Fed needs to raise the bar on rates, and the toxic combination of higher prices and higher costs of borrowing could lead to a lost year or perhaps two lost years.

Stock market bargains exist: Just be patient with them!

In any case, investors should continue as planned. A year or two in the red is less meaningful over a long-term timespan — think the next 15-20 years. These tough times will pass, and better times could propel the economy back to where it was, as the world healed from the COVID recession of 2020.

Even if we are due for a recession, investors must remember that the stock market can act as a predictor of a recession, making the actual recession less actionable for investors. Indeed, stock markets price in the anticipation of tough times. In any case, investors should expect short-term pain en route to longer-term prosperity. With bonds and cash offering next to nothing in terms of returns, investors need to embrace volatility and be a buyer of names they would have easily bought during normal market environments.

Indeed, the 2020s have not gotten off to a great start. The "Roaring 20s" talk has gone away. And in its place is another crisis in the place of another crisis (COVID) that's still technically not over with yet.

Despite the crises, investors should stay invested and think about individual firms and how they'll fare long after these horrific crises are over.

Currently, **Restaurant Brands International** (TSX:QSR)(NYSE:QSR) looks like a bargain to pounce on, even if it's got pain in the cards for the rest of 2022.

Restaurant Brands stock: Undervalued and ready to bounce in a reopening?

The fast-food industry has been quite resilient through the pandemic. Restaurant Brands felt a bit more pain than your average fast-food firm. Why? A lack of drive-thru infrastructure versus some of its peers in the space and the daily-routine nature of Tim Hortons. Indeed, many grab daily double-doubles on their way to the office. Amid lockdowns, those coffee runs have been passed up. As the economy reopens while Restaurant Brands improves its infrastructure, I think QSR stock is a market bargain. Recession or not, QSR stock is ready to make up for lost time. Its low prices could be more appealing if the economy is to be propelled into more of a stagflationary environment.

With lower-cost offerings and an ability to absorb some of the inflationary impact, I like the firm's legendary chains at these levels. Of course, there's a sizeable dividend to collect while you wait for the stock to recover.

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1. Investing

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Author
joefrenette