BUY ALERT: 3 Cheap Stocks to Snag Now

Description

Canadian and North American stocks have been in a slump since April. This may be frustrating to investors, especially as they contend with high inflation and rising interest rates, but there is reason for celebration. There are many high-quality equities that are undervalued in the middle of the summer. Today, I want to zero in on three cheap stocks that are still worth snatching up right now. Let's dive in.

This top bank stock looks discounted right now

Canadian Imperial Bank of Commerce (TSX:CM)(NYSE:CM) is the fifth-largest of the Big Six Canadian bank stocks. The top Canadian bank stocks had a terrific bounce back year in 2021. However, these financial stocks have been hit hard by volatility this year. CIBC is no different. Its shares have dropped 16% in 2022 as of close on July 19. That has pushed the stock into negative territory in the year-over-year period.

Investors can expect to see the bank's third-quarter 2022 earnings before markets open on August 25. In Q2 2022, CIBC delivered adjusted net income of $1.65 billion, or $1.77 per diluted share — down from $1.66 billion, or $1.79 per diluted share, in the previous year. It saw its Canadian Personal and Business Banking segment post an 18% decline in net income compared to the second quarter of 2021.

What makes CIBC a cheap stock? This bank stock currently possesses a very favourable price-to-earnings (P/E) ratio of 8.8. It slipped into technically oversold territory last week before staging a rebound. Moreover, CIBC offers a quarterly dividend of $0.83 per share. That represents a strong 5.3% yield.

Here's a cheap stock to consider in the middle of the summer

Hudbay Minerals (TSX:HBM)(NYSE:HBM) is a Toronto-based mining company that is focused on the discovery, production, and marketing of base and precious metals. The commodities boom in 2021 and early 2022 saw base metals prices soar. However, that market has simmered down significantly in recent months. Precious metals have also suffered a harsh slump. I'm still interested in this cheap stock as a hedge in this choppy market.

Shares of this cheap stock have plummeted 51% in 2022 as of close on July 19. That has pushed the stock into negative territory compared to the same period in 2021. In Q1 2022, the company posted total revenues of $378 million — up from $313 million in the prior year. Meanwhile, adjusted EBITDA rose to $110 million over $104 million in the first quarter of 2021.

This cheap stock last had an RSI of 34, putting it just shy of oversold levels. It is still on track for strong earnings growth going forward.

One more cheap stock I'd snag as the financial sector posts big growth

TMX Group (TSX:X) is the third cheap stock I'd look to snatch up in the middle of the summer. This Toronto-based company operates exchanges, markets, and clearinghouses for capital markets in Canada and worldwide. Shares of TMX have dipped 1.5% so far in 2022. The stock is down 5.7% year over year.

In Q1 2022, the company posted revenue growth of 14% from the previous year to $287 million. TMX Group stock possesses an attractive P/E ratio of 13. The stock last had an RSI of 28, putting it in technically oversold territory. It also offers a quarterly dividend of $0.83 per share, which represents a 2.6% yield.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:HBM (Hudbay Minerals Inc.)
3. TSX:CM (Canadian Imperial Bank of Commerce)
4. TSX:HBM (Hudbay Minerals Inc.)
5. 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
2022/07/20
Author
aocallaghan