



## Load Up Your TFSA With These 3 Beaten-Down Stocks

### Description

The TSX has fallen over 16% in the last few months, and with a recession on the horizon, the market (as a whole) might not go properly bullish for a while. You might already be experiencing the impact of this decline in your portfolio's value. It's tough to hold on to rapidly declining stocks, but dumping years of growth in a weak market is not a smart thing to do.

Even when the market fully recovers, your portfolio may take some time to reach its peak value. And even then, there will be some financial scars (losses). The best way to make up for those losses is to take advantage of the current discounts and add some potentially powerful beaten-down securities to your portfolio.

### A REIT

If you are looking for a decent combination of growth potential and dividends, **Granite REIT** ([TSX:GRT.UN](#)) is a compelling option. Before the real estate slump, which has been harder than the broader TSX slump, pushed the stock down 29%, it was one of the best growth stocks among the REITs. Thanks to the discount, the stock is offering an attractive 4.15% yield.

It's one of the few aristocrats in the real estate sector and is currently offering dividends at a brutally safe payout ratio of 12.7%, making its dividend quite safe. The discount is also augmented by undervaluation, as the stock is currently trading for a payout ratio of just 3.12.

Since it's a commercial REIT with an e-commerce-focused, international portfolio of light industrial properties, it's unlikely to go down with the housing market (in the long run).

### A tech stock

**Coveo Solutions** ([TSX:CVO](#)) can be considered an unfortunate stock. It listed and started trading on the TSX in Nov. 2021, when the tech sector correction (which is still underway) was in full swing. As a result, the stock has declined by over 67% in market value.

Another thing that's weighing down the company is its association with e-commerce. The company offers AI-driven personalization solutions to e-commerce businesses across multiple domains.

The stock *might* be up for a strong bullish phase when the market finally turns. Since it's a tech stock, the sector's recovery will likely become the trigger that takes the company up. But it's also a fundamentally strong pick, thanks to its financials which are going up just as steadily as the stock has gone down. And as a result, the stock is quite aggressively undervalued, with a price-to-earnings ratio of just one.

## A financial stock

**CI Financial** ([TSX:CIX](#)) is an investment company that offers a wide range of financial products and services to its customers. It operates through five divisions, including wealth management, asset management, and direct investing, all of which fall under the CI Financial umbrella. It has a global presence, but most of its reach is concentrated in North America.

The stock is currently both discounted and undervalued. At a price-to-earnings ratio of just 6.28, the undervaluation is quite modest. But the 53% discount from its last peak and a 45% slump from its pre-pandemic peak is quite extreme. Thanks to the undervaluation, the discount doesn't seem too dangerous, and if you buy and stash it in your TFSA now, you can also look at the impressive 5.1% yield.

## Foolish takeaway

These beaten-down stocks would do just as well in your RRSP as they would in your TFSA, so a typical [TFSA vs. RRSP](#) debate isn't warranted. However, since they are beaten-down stocks ready to explode when the market becomes bullish again, they can offer decent returns in the short term. And if you can realize the gains offered by these stocks, you will have more capital to work with in your TFSA.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CIX (CI Financial)
2. TSX:GRT.UN (Granite Real Estate Investment Trust)

### 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. adamothonman
2. kduncombe

**Category**

1. Dividend Stocks
2. Investing

**Date**

2025/09/27

**Date Created**

2022/07/20

**Author**

adamothonman

default watermark

default watermark