4 Dirt-Cheap Stocks to Buy in August

Description

Canadian markets were able to broadly recoup losses that occurred in early July in the final weeks of the month. However, investors are still rightly anxious, as high inflation, rising interest rates, and the looming threat of recession all weigh on markets. Today, I want to zero in on cheap stocks that are still worth snatching up in this volatile environment.

This cheap construction stock also offers a big dividend

Aecon Group (TSX:ARE) is a Toronto-based company that provide construction and infrastructure development services to public and private sector clients in North America and around the world. Shares of Aecon Group have plunged 34% in 2022 as of close on July 29. The stock is down 45% year over year.

This company released its second–quarter 2022 results on July 28. It delivered revenue growth of 16% year over year to $1.12 billion. However, it posted a net loss of $6.4 million, or $0.10 per share — down from a net profit of $17.6 million, or $0.27 per diluted share. On the bright side, its backlog rose to $6.60 billion on the back of strong domestic demand for its services.

Shares of this cheap stock possess a price-to-earnings (P/E) ratio of 37. That puts Aecon Group in favourable value territory compared to its industry peers. Best of all, it offers a quarterly dividend of $0.185 per share. That represents a 6.6% yield.

Here’s a golf course stock that just hit a 52-week low

TWC Enterprises (TSX:TWC) is an Ontario-based company that owns, operates, and manages golf clubs under the ClubLink One Membership More Golf brand in Canada and the United States. This cheap stock has declined 11% so far in 2022. Its shares are down 13% year over year.

Investors can expect to see TWC Enterprises’s next batch of earnings on August 3. In Q1 2022, the company reported a net loss of $1.09 million, or $0.04 per basic and diluted share — down from

$455,000, or $0.02 per diluted share, in the previous year. Its operating revenues rose to $37.9 million compared to $14.1 million in the first quarter of 2021.

This cheap stock last had a very attractive P/E ratio of 4.4. It offers a very modest quarterly dividend of $0.02 per share, representing a 0.5% yield.

A stock that marries cannabis and CBD to the supplements space

Neptune Wellness (TSX:NEPT) is a Laval-based company that operates as an integrated health and wellness company in North America and worldwide. Its shares have plunged 91% in 2022. The Canadian cannabis space has been hit hard, as the shine has well worn off since recreational legalization. However, this company does offer exposure to the very promising nutrition and supplements space. It is not on the level of **Jamieson Wellness**, but it is worth your attention.

It unveiled its fourth-quarter and full-year 2022 earnings on July 8. Total revenue increased 37% year over year to $48.8 million for the full year. Meanwhile, it posted a gross profit loss of $7.5 million — improved from a gross profit loss of $27.4 million for fiscal 2021.

Neptune Wellness represents the biggest gamble of these cheap stocks. Investors may want to take the gamble, as it is still on track for solid revenue growth going forward.

Yes, some banks are still cheap stocks in this market

Scotiabank (TSX:BNS)(NYSE:BNS) is the fourth and final cheap stock I'd suggest investors snatch up today. Fortunately, it is also the most trustworthy as one of the Big Six Canadian banks. This bank stock has dropped 14% so far in 2022.

This bank is set to unveil its third-quarter 2022 earnings in late August. In Q2 2022, the bank posted net income of $2.76 billion — up from $2.47 billion in the previous year. Shares of this cheap stock possess an attractive P/E ratio of 9.4. Better yet, it offers a quarterly dividend of $1.03 per share. That represents a strong 5.2% yield.

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