



2 Bargain Stocks You Can Buy Today and Hold Forever

Description

The **S&P/TSX Composite Index** climbed 83 points on August 18. Some of the best performing sectors on the TSX included Battery Metals, Base Metals, and the Energy space. Meanwhile, Health Care suffered the steepest retreat on the day. Today, I want to zero-in on two [bargain stocks](#) with exposure to non-cyclical industries that are worth snatching up in the final weeks of August. Let's jump in.

This bargain stock has been hit hard despite soaring food prices

Maple Leaf Foods ([TSX:MFI](#)) is a Mississauga-based company that produces food products in North America and around the world. Shares of this Canadian stock have dropped 18% in 2022 as of close on August 18. The stock is down 13% year over year.

This bargain stock has already started its rebound with a 5.1% jump over the past week. The company released its second quarter fiscal 2022 results on August 4. Canadian food prices have been one of the key drivers of the surge in inflation rates we have seen in the year-to-date period. Unfortunately, Maple Leaf has been unable to capitalize in the same way that grocery retailers have in 2022.

In Q2 2022, Maple Leaf delivered total company sales growth of 3.1% to \$1.19 billion. EBITDA stands for earnings before interest, taxes, depreciation, and amortization. This measure aims to give a more accurate picture of a company's profitability. Maple Leaf's adjusted EBITDA delivered an improved margin of 6.2%.

Maple Leaf's Meat Protein Group reported sales of \$1.16 billion – up 3.8% from the previous year. Meanwhile, its Plant Protein Group has lagged despite continued capital investment into this segment. The company anticipates that this segment will deliver neutral or better adjusted EBITDA by the second half of 2023.

Shares of this bargain stock are trading in favourable value territory compared to its industry peers. Meanwhile, it offers a quarterly dividend of \$0.20 per share. That represents a 3.3% yield.

Here's a bargain stock to consider in a sector that you can trust forever

Investors should be eager to seek exposure to the aerospace and defence sectors. The global defence sector has posted strong growth on the back of military spending increases across the developed world. **CAE** ([TSX:CAE](#))([NYSE:CAE](#)) is the bargain stock I'd suggest snatching up in this space. This Montreal-based company provides simulation training and critical operations support solutions to a worldwide client base.

Shares of this bargain stock have dropped 19% in 2022 as of close on August 18. The stock is down 23% in the year-over-year period. CAE unveiled its first quarter fiscal 2023 earnings on August 10.

The company reported total revenues of \$933 million in Q1 FY2023 – up from \$752 million in the previous year. Meanwhile, it posted a record backlog of \$10 billion. It was forced to revise down annual growth projections, but it is still on track for solid growth going forward.

This bargain stock is also trading in attractive value territory relative to its top competitors. Relative Strength Index (RSI) is a technical indicator that measures the price momentum of a given security. Shares of CAE last had an RSI of 28, which puts this stock in technically oversold territory.

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