3 Cheap TSX Stocks I'd Buy Now Before They Bounce Back

Description

If you're an investor who really wants to seek out long-term income, then you need to find **TSX** stocks that can pay out to you for decades. Not just immediately, but for years and years to come. That's the only way to achieve stellar returns, rather than risking everything you have on some weak growth stocks that could climb and fall in the same day.

Today, I'm going to focus on some cheap TSX stocks I would consider right now. The reason for the urgency is because these TSX stocks are bound to bounce back. Each has a long history of growth and solid future ahead, plus dividends to boot! So let's get right to it.

BCE stock

First, we have **BCE** (TSX:BCE), which at the time of writing this article remains in oversold territory. BCE stock is one of the TSX stocks trading with a relative strength index (RSI) of 29! And yet, it doesn't have anything to do with how the company performed recently.

In fact, the drop seems to come from **Rogers** and **Shaw** moving ever closer to a potential acquisition. Even still, BCE stock has the telecommunications market well in hand, with 60% of the current market using BCE. And it's clear why. The company rolled out 5G and is now moving to 5G+, and its fibre network provides the highest internet coverage in Canada.

So, while it has some competition, BCE stock is certainly one I would pick up today. It trades at just 19.5 times earnings, and currently offers a dividend yield at 5.96%, with shares down 3.5% year to date.

TransAlta stock

Another strong choice trading in oversold territory is **TransAlta Renewables** (TSX:RNW). It too trades at a 29 RSI, offering an oversold opportunity for those wanting exposure to the renewable energy sector.

Worried you'll miss out on current opportunities with oil and gas? TransAlta stock is still a good option as it's one of the TSX stocks offering exposure to the sector through renewable gas. Now, why are shares so low? The company expects a slow 2023, focusing on its dividend while interest rates remain high. Still, it provides great long-term growth through its exposure to renewable energy solutions.

TransAlta stock is definitely another that should bounce back soon. It currently trades at 39 times earnings and 2.2 times book value. You can also pick it up while it has a 6.55% dividend yield, and is down 30% year to date.

CIBC stock

These companies may be a bit riskier for some investors who want slow and steady growth. They don't want to lose sleep scared that they'll wake up and shares will *still* be tanking. In that case, **Canadian Imperial Bank of Commerce** (TSX:CM) may be the way to go.

CIBC stock recently entered oversold territory, offering a chance of stellar passive income amongst TSX stocks. The company is down about 22% year to date, with interest rates and inflation offering poor performance in the next year. But with provisions for loan losses, it's very likely the company will bounce back quickly.

Given this safety net, you can lock up CIBC stock trading at just 8.3 times earnings and a dividend yield of 6.11%. And this is one company you'll be able to hold for decades without a worry in the world.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:CM (Canadian Imperial Bank of Commerce)
3. TSX:RNW (TransAlta Renewables)

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