



Worried About the Stock Market? These 3 Cheap Stocks Are Safe as Milk!

Description

Worrying about the market is the default state of mind for most investors. Even in a healthy market, the fear that it might take a turn for the worst is always there. Recessions or a [market crash](#) are extreme scenarios, but even a long, bearish market can slowly erode your investments.

In their fears, many investors look for expensive, blue-chip stocks, but there are several cheap stocks that can be quite safe, long-term holdings.

A safe dividend stock

Timbercreek Financial ([TSX:TF](#)) is a good potential pick if you are looking for a cheap and safe dividend stock. The stock is currently trading at just \$7.80 per share, courtesy of a 21% discount from its 2021 peak, and offering a mouthwatering 8.8% dividend yield. TF shares have started a rapid recovery, so the yield might not remain as attractive for long.

The payout ratio, while not in safe territory, is better than last year, and the company's history has been quite consistent regarding dividends. At its current yield, the stock can help you start a \$220 per month dividend income if you invest \$30,000 in it.

As a financial solution provider to real estate clients, TF stock may be vulnerable to the current state of real estate in the country. However, its lean towards the commercial sector partially shields it from the full impact.

A safe growth stock

StorageVault Canada ([TSX:SVI](#)) operates in a specific real estate niche – storage spaces. As a leader in this market segment, the company has a certain moat. It's trading at \$6.20 per share and, in the five years, has appreciated over 150% in the last five years. The growth hasn't been very consistent, but the trend has mostly been upward since 2014.

It's also a dividend payer, but the yield is less attractive than the growth potential of the company. This stock's safety comes from its leadership status in its specific market niche and business model itself.

The portfolio of properties is massive, and it has achieved exceptional growth in its revenue year over year. There are eight individual brands under the StorageVault banner.

A safe green stock

If you are looking for a beaten-down stock that might still be considered a safe pick and may have good potential for growth in the right market conditions, **Ballard Power Systems** ([TSX:BLDP](#)) is worth a look. It's a leader in fuel cell technology solutions, a promising niche heavily reliant on the successful and financially feasible extraction of hydrogen.

BLDP stock experienced tremendous growth between 2018 and 2021, over 1,300%. In the correction phase, the stock fell well over 80%, and though it languished in that slump for quite a while, BLDP has started showing signs of upward momentum. It has grown 24% (so far) this year alone.

Foolish takeaway

These stocks are cheap, a step above [penny stocks](#), but they offer safety on par with many of their more expensive counterparts. The safety mainly comes from underlying business stability and growth potential in a healthy market and, for two of the three companies (Ballard and StorageVault), the leadership status in their respective industries.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BLDP (Ballard Power Systems Inc.)
2. TSX:SVI (StorageVault Canada Inc.)
3. TSX:TF (Timbercreek Financial Corporation)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. cleona

Category

1. Dividend Stocks
2. Investing

Date

2025/08/24

Date Created

2023/01/17

Author

adamothonman

default watermark

default watermark