



## 3 TSX Stocks That Are Still Extremely Cheap

### Description

The rally the last few days has shown that a lot of investors are taking a long-term approach to the current economic environment. Although there has been a lot of buying and the market has gained considerably, there are still some high-quality **TSX** stocks that investors can buy cheap.

Thus far, a lot of the gains have come from large blue-chip companies or core stocks. There has also been a lot of buying in defensive industries. Utilities and consumer staples have been some of the most in-demand stocks.

This isn't surprising given the outlook for the economy. Those defensive stocks will provide investors with some stability during the uncertain future.

But with so many investors concerned about adding these defensive stocks for a recession, they are leaving major value on the table in other stocks.

Three of the cheapest stocks on the TSX to buy today are **Great Canadian Gaming Corp** (TSX:GC), **Aritzia Inc** ([TSX:ATZ](#)) and **Leon's Furniture Ltd** ([TSX:LNF](#)).

### Casino TSX stock

Great Canadian owns a portfolio of casinos, racetracks and entertainment venues across Canada. The business has been impacted by the current economic environment, with casinos forced to shut down.

This has led to the stock being sold-off, and even after this week's major three-day rally, the stock still sits roughly 50% below its 52-week high.

Up until the coronavirus pandemic completely shut down the economy, Great Canadian was a top growth stock.

Over the last few years the company has expanded its portfolio considerably. In addition, it has renovated numerous properties in its portfolio. The renovations have helped to make each location

more profitable in addition to driving more foot traffic through its casinos.

At current prices, Great Canadian is trading at just 9.1 times its trailing 12-month earnings. That valuation is extremely attractive and renders Great Canadian one of the cheapest TSX stocks to buy today.

## Cheap fashion and retail stock

Aritzia is another stock that's seen its business impacted by the shutting down of businesses. Similar to Great Canadian, the stock still sits roughly 50% off its 52-week high.

Unlike Great Canadian however, Aritzia can still operate its business through its online website.

It was already trying to grow its online sales, so although the current environment is not ideal, when everything is said and done, the temporary shutdown of its stores could prove to have some positive outcomes for the company.

Aritzia has been an impressive [growth stock](#) and one of the top performers the last few years growing with incredibly attractive economics.

When things return to normal, there is nothing to suggest the Aritzia can't continue where it left off, which makes an investment today at these cheap prices all the more appealing.

Currently, the stock trades at a valuation of just 16.9 times earnings, which is pretty cheap for a major growth stock like Aritzia. That's why it's one of the cheapest TSX stocks to buy right now.

## Home furnishing stock

Leon's is not as cheap as the other two companies, currently down just 35% from its 52-week high as of Thursday's close. However, Leon's is up just 6% from its lows. This is much lower compared to Great Canadian, which has recovered 39% from its lows and Aritzia which has recovered nearly 25%.

This makes Leon's highly appealing, even though the stock didn't fall all that much to begin with.

The company still has major value at these prices however, especially looking at it from a long-term perspective.

Plus, the growth the company has seen, improving and integrating its operations, has had a profound impact on its profitability.

For 10 years, the company has consistently earned between a 10% and 15% return on equity. The consistency is extremely appealing to investors. And when you couple it with a stock trading below book value, you see why Leon's is one of the cheapest TSX stocks you can buy.

## Bottom line

These three companies and many more continue to offer attractive valuations for investors. So if you

may have missed your opportunity to buy other stocks, you won't want to wait long because these companies are likely the next TSX stocks to have a major rally.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. TSX:ATZ (Aritzia Inc.)
2. TSX:LNF (Leon's Furniture Limited)

## PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

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