



3 Top Canadian Value Stocks to Buy in March

Description

It should come as no surprise that during so much market volatility value stocks would come back in style. While growth stocks were popular in 2020, the latest shifts seems to suggest that investors want to base decisions more on fundamentals.

While the market will always have its periods of volatility, investors can still build a solid portfolio filled with high-quality companies that they can hold onto for decades. So here are three top Canadian value stocks to consider buying in March:

Magna International

Electric vehicles (EVs) have become all the rage, going through a period of share climbing before a pullback. But one company that didn't receive its rightful recognition was **Magna International Inc.** ([TSX:MG](#))([NYSE:MGA](#)). The company instead was overshadowed by other major players, and car companies committing to a full fleet of EVs by 2030.

But this is excellent news for the automobile parts manufacturer. Not only will it be creating the parts for these vehicles, but the computers too. This comes from its joint venture with **LG Electronics** agreed to recently. Both will seek to create stellar products that many automobile makers can add to their EVs.

The company's fundamentals clearly make it a great buy. It currently has a price to book (P/B) ratio of 2.3, and a price to sales (P/S) ratio of 0.8! While EPS was down for 2020, with production ramped up analysts predict a [rebound](#) of 262% in 2021! Meanwhile, shares are up 169% in the last year, and 501% in the last decade.

Canada Goose

Remember when **Canada Goose Holdings Inc.** ([TSX:GOOS](#))([NYSE:GOOS](#)) was a huge thing? Canada's top clothing company had a stellar Initial Public Offering followed by a downfall. Then a trade war and market crash kept this company from growing. But now, analysts believe we're entering a

Roaring '20s scenario for the next decade. That means this clothing company could see a [surge](#) in its retail production.

While sales were down 20% in 2020, analysts expect a rebound of 24% in 2021, with EPS growth of 192%. The \$6 billion company even saw a light at the end of the tunnel when reporting its recent earnings report. After several quarters of sinking revenue, the company finally saw one of growth in the third quarter. Global e-commerce rose by 39%, and revenue year over year by almost 5%.

The company still isn't making any future outlooks for FY21 known, and seven of its 28 Canada Goose retail stores remain closed. This represents a surge in revenue in 2021 that could come at any time when the world starts returning to normal. Then on top of that you'll continue to see its growing e-commerce business. And then there's China to consider.

With a trade war behind us, the company can now expand throughout the country at a record pace — all great things to look forward to from this company. Shares are up 132% as of writing, with plenty of room to grow back to all time highs at almost double today's share price.

Telus

While **Telus Inc.** ([TSX:T](#))([NYSE:TU](#)) might not be the most glamorous stock out there, it has a lead when it comes to its 5G network. The company's wireless and wireline business was placed before the pandemic while competitors were struggling to place down theirs. That means the company has achieved strong revenue growth with very little cost, all while customers were renegotiating telecommunication contracts.

The company has immense value with a P/B ratio of 2.8, and a P/S of 2.2. EPS rose steadily by 15%, and analysts predict similar growth through the next two years. The company saw revenue growth of 5.2% in the fourth quarter, and annual consolidated revenue of 5.5%. Its annual free cash flow rose to \$1.4 billion, and recently had the largest tech IPO in **TSX** history establishing a market capitalization over \$10 billion. The company now targets consolidated revenue growth of 10%, and free cash flow of \$1.5 billion for 2021.

Yet shares are only up 24% in the last year, even with the company's 4.9% dividend yield to consider. It's also seen a 235% increase in the last decade for a CAGR of about 13%. All of these reasons mean this stock is a top buy today.

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TICKERS GLOBAL

1. NYSE:GOOS (Canada Goose)
2. NYSE:MGA (Magna International Inc.)
3. NYSE:TIXT (Telus International)
4. NYSE:TU (TELUS)

5. TSX:GOOS (Canada Goose)
6. TSX:MG (Magna International Inc.)
7. TSX:T (TELUS)
8. TSX:TIXT (Telus International)

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