



3 Top Canadian Stocks to Buy Right Now

Description

Finding stocks that are [undervalued](#) is a difficult task, in any environment. Indeed, given the bull run we've seen in equity markets of late, valuations are stretched. Investors have to search harder to find pockets of value in today's market.

However, there are pockets of value. And on the **TSX**, there happen to be quite a few. Here are three companies I'd definitely put in the undervalued bucket right now.

Kirkland Lake Gold

Yes, gold has been beaten to a pulp as of late. The price levels of the commodity are still well below all-time highs last year. However, it appears gold is making a comeback of late.

In this environment, I think **Kirkland Lake Gold** (TSX:KL)(NYSE:KL) [will outperform](#). For those who believe gold is likely only starting its bull market run, Kirkland Lake is a top choice.

However, there are other reasons I like this stock.

When it comes to fundamentals, there are few gold producers that can compete with this Toronto-based company. Kirkland Lake recently reported year-over-year earnings growth of 38%. Moreover, it recorded 68% year-over-year increase in revenue. It has a valuation multiple of approximately 13-times earnings, which is too cheap for investors to ignore.

Additionally, recent drilling results at Detour Lake have been quite positive. Thus, Kirkland Lake appears to be a no-brainer investment, in my view.

Fortis

Fortis Inc. ([TSX:FTS](#))([NYSE:FTS](#)) has continued to be one of my top dividend picks for quite some time. This company has provided investors with consistent dividend increases. Scratch that. Fortis is

among the best dividend growth stocks on the market today.

Currently, the stock has a dividend yield of a 3.6%. On its face, this dividend yield might not seem overly attractive. However, given the track record of nearly five decades of dividend increases, long-term investors have done quite well holding this stock long-term.

The company's valuation is similarly attractive in this environment. Trading at roughly 21 times earnings, this is a reasonably valued stock in a market that's otherwise overpriced.

Shopify

Now, in terms of valuation, Shopify certainly won't make most investor's "undervalued" lists. And for good reason. This stock is still trading at nosebleed valuation levels.

However, I think the recent dip in Shopify stock is an attractive buying opportunity for growth investors. Today, the market is pricing in a deceleration of growth with this stock coming out of the pandemic. The degree to which Shopify's stock has sold off is the issue at play here, in my view.

For investors seeking growth-at-a-reasonable price (or at least a "more reasonable" price), Shopify fits the bill today. This company is poised for long-term growth, and I think remains one of the best growth options on the TSX today.

CATEGORY

1. Dividend Stocks
2. Investing
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