



3 Undervalued Stocks to Buy on the TSX Today

Description

After several days of falling, the **TSX** today has multiple bargains for investors. [If you're looking for undervalued stocks](#), luckily, today there are many options. That's especially true for the cannabis, energy, and airline sectors. These three sectors continue to trade far below fair value. I'll dig into three options that are screaming buys on the TSX today.

Pembina Pipeline stock

A lot of investors are looking at [pipelines](#) as a way to take advantage of the energy rebound. And they would be right! Yet **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) continues to trade below fair value. The company fell, as oil and gas prices slumped back in 2018, but it has since been slowly climbing back. Yet this initial fall was unwarranted.

Pembina Pipeline stock has long-term contracts that will see cash flowing in for years. As oil and gas production continues to climb and demand increases, Pembina Pipeline stock is likely to see even more revenue. That's especially as it has billions in growth projects set to come online.

Shares in Pembina Pipeline stock are 27% in the last year but continue to trade at 1.8 times book value. That makes it a bargain on the TSX today. Meanwhile, you can lock in a dividend yield of 6.35% as of writing.

Canopy Growth stock

Cannabis stocks continue to trade at incredibly low levels given the future of the industry. While there have been growing pains, these companies hit a major road block with the pandemic affecting production. But now, the pandemic is coming to an end. And consumers continue to want cannabis in any form possible. That's why investors on the TSX today should consider **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC).

Canopy Growth is the only marijuana stock on the TSX's top 60 stocks — the *only one*. That right there

should tell you how Canopy Growth stock is going to grow at a solid clip out of this downturn. Canopy Growth stock found a number of cost-cutting measures even before the pandemic, and acquired several companies for when United States legalization eventually happens.

Yet shares remain low, trading at 2.7 times book value, with Canopy Growth stock up just 23% in the last year alone. Yet that's still a 957% increase since it came on the market. Even better, that leaves a potential upside of 176% to reach all-time highs on the TSX today!

Air Canada stock

Finally, it can seem risky to invest in airline stocks today, but, frankly, people will fly again. So, while it might take some time for a company like **Air Canada** ([TSX:AC](#)) to get back in the air at full capacity, it will happen. That also means those \$50 share prices will return once more.

And that's why the TSX today offers a great [opportunity](#) for investors in Air Canada stock. The company already had a plan to pay down its billions in debt, and the government aid package has made it ready to get planes back in the air. By September, many Canadians (and people in general) will be fully vaccinated and wanting to make holiday travel plans. If news comes from the government with fewer restrictions, investors should see an intense boost in share price.

Yet today, shares may be up 76% in the last year, but there is still a potential upside of 100% as of writing to reach all-time highs. That's still undervalued in my book, especially for long-term investors on the TSX today.

CATEGORY

1. Coronavirus
2. Investing
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TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:AC (Air Canada)
4. TSX:PPL (Pembina Pipeline Corporation)
5. TSX:WEED (Canopy Growth)

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Date

2025/08/25

Date Created

2021/05/23

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