



4 Undervalued Stocks to Buy on the TSX Today

Description

After the recovery we've seen in stocks the last year, most are now back to fair value. There certainly aren't too many undervalued stocks to buy on the **TSX** today.

Of course, there are the laggards like **Air Canada**, which still has yet to make a meaningful recovery from the pandemic. But at this point, you can't even consider it [undervalued](#) when it's lost so much money and continues to be severely impacted.

Nevertheless, despite most companies being at or near full value, some are still offering investors significant potential.

Here are four of the top undervalued TSX stocks to buy today.

A top TSX retail stock to buy today

The pandemic has impacted many retailers, but some, especially those like **Sleep Country Canada Holdings** ([TSX:ZZZ](#)), have managed to perform better than expected.

With people spending more time at home, certain retailers like Sleep Country have seen an unexpected tailwind over the last year. And because the company is so dominant and made top acquisitions in recent years, like Endy, the e-commerce mattress company, it's fared extremely well throughout the pandemic.

Currently, Sleep Country trades at a price-to-earnings (P/E) ratio of just 16 times. Furthermore, its average target price from analysts is more than \$37. That's more than 25% upside for investors who are looking at buying this undervalued TSX stock today.

Plus, on top of everything else, it pays a dividend that currently yields 2.6%.

A top consumer staple stock trading undervalued

One of my favourite long-term stocks, **North West Company** ([TSX:NWC](#)), is surprisingly one of Canada's cheapest stocks.

Consumer staple stocks are highly defensive, so although they've been in favour over the last year, as the economy reopens, it makes sense how other stocks are rallying more.

North West, though, has an incredibly strong business and has only strengthened its position since the pandemic began.

Today, the stock trades at just 12.9 times its trailing earnings, and its dividend yields roughly 4%. So, if you're looking for a top TSX stock to buy undervalued today, North West is a great choice.

A top TSX stock to buy today

Aecon Group ([TSX:ARE](#)) is another great stock that's trading cheap today. Aecon is a massive construction and infrastructure company, an industry that should see major growth over the coming years.

Management noted at its recent earnings report that its backlog, recurring revenue, and the opportunities to bid on new projects all remain at impressive levels.

Some uncertainty with the pandemic has impacted the company. However, as we emerge from the pandemic and the economy looks to recover, Aecon should see strong potential to grow its operations over the next few years.

Today, with all its growth potential, Aecon is one of the most undervalued stocks on the TSX, trading with just a 17.5 times P/E ratio. Furthermore, it even pays a dividend that yields roughly 3.8%.

A top gold company that's undervalued

Lastly, one of the top industries to find value stocks in the last few months has been gold. That's why **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) is one of the top choices today.

Gold has started to rally again recently, so investors will want to consider these stocks soon. Kinross is one of the best, because in addition to being one of the higher-quality Canadian [gold stocks](#), it's also one of the cheapest.

The company has impressive operations that are diversified well in countries such as the United States, Brazil and West Africa, to name a few.

Kinross currently produces over two million ounces a year of gold and has several up-and-coming projects that could add significant growth over time.

Today, it trades at a trailing P/E ratio of just 7.4 times and even pays a dividend that yields 1.85%. So,

if you're looking for a top TSX stock trading undervalued, Kinross and several other gold stocks are some of the best to buy today.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:ARE (Aecon Group Inc.)
3. TSX:K (Kinross Gold Corporation)
4. TSX:NWC (The North West Company Inc.)
5. TSX:ZZZ (Sleep Country Canada)

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