3 Insanely Cheap Canadian Stocks to Buy in a Crazy-Expensive Market

Description

The **TSX** today is filled with expensive stocks. Whereas last year we were in an economic downturn with cheap stocks galore, this year is different. Now the TSX trades at all-time highs, and most stocks are about the same with few Canadian stocks to buy cheap. In fact, the **S&P 500** is even higher by its cyclically adjusted price-to-earnings ratio than it was in 1929 right before the Great Depression!

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But even then, there were still cheap stocks available. And that goes for today as well. There are many stocks with valuations continuing to climb sky high. But there are exceptions. Here are three cheap Canadian stocks to buy, even in this expensive market.

Aurinia

Aurinia Pharmaceuticals (TSX:AUP)(NASDAQ:AUPH) shares currently trade at just 4.6 times book value. Shares are still down by about 25% in the last year alone, but many analysts believe in the next year shares could more than double.

So, why is the stock so cheap? Investors continue to react to earnings reports, and Aurinia hasn't had the best ones. The pharmaceutical company continued to report a loss thanks to little investment during the pandemic. However, that's all about to change thanks to the recent FDA approval of its drug *Lupkynis,* the first oral drug to treat lupus nephritis.

Next year, the company expects huge changes thanks to this new drug. Instead of reacting to the market, investors can see today's share price as an opportunity. Sales will likely climb back to normal soon and beyond with this new drug. This is one of the great Canadian stocks to buy before it blows up over the next few years.

Viemed

Another one of the cheap Canadian stocks to buy is **Viemed Healthcare** (TSX:VMD)(NASDAQ:VMD). The in-home care provider for respiratory illnesses became insanely necessary during the COVID-19 pandemic. How great would it have been if we could have taken care of patients needing a ventilator at home, rather than clogging up hospitals?

Yet Viemed is insanely cheap right now, trading at 10.57 times earnings. And shares continue to trade downward by 41% in the last year. This is mainly due to fears that the company won't be able to keep up earnings after the pandemic is over. Most recently, it saw revenue increase by 12% year over year. But I'd say it's the opposite. There will be more interest than ever in this company as we continue to battle COVID-19.

The company is likely to take these funds and reinvest it into research and development, coming out with even more in-home care equipment. This could mean we see an explosion of revenue down the line, not a decrease. So, while shares are down now, this is one of the Canadian stocks to buy again before investors realize their mistake.

NorthWest Healthcare

Now, you might think **NorthWest Healthcare Properties REIT** (TSX:NWH.UN) is boring, and you'd be right. The real estate investment trust (REIT) focuses on healthcare properties. This provides an insanely stable method of collecting revenue — especially since most recently it saw a huge increase in renewed leases. The company now boasts an average lease agreement of 14.3 years with 97% occupancy!

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And yet the stock remains incredibly cheap. It trades at an absurdly cheap price-to-earnings ratio of just 9.6. That share price is even more attractive given its continued solid quarterly results. And add that to the stable growth of 30.5% in share price in the last year alone. This is by far the best of the Canadian stocks to buy now.

And better still? It offers a dividend yield of 6.19% as of writing! So, boring may not be so bad, come to think of it.

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2. NASDAQ:VMD (Viemed Healthcare)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
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