



3 Top Canadian Stocks to Buy Right Now

Description

We're halfway through 2021, and it's never been this complicated to find stocks to buy right now. Most stocks look either [overvalued](#) or like value traps. For long-term investors, this is a precarious situation.

Nevertheless, there are always opportunities in every market cycle. Here are the top three underrated stocks to buy right now.

Inflation hedge

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) was one of the top-performing tech stocks of the previous year. Over the course of 2020, the stock surged 140%. This year, it's up 17.7% despite the correction in other tech stocks.

The payments platform is in a unique position. For one, it benefits from the economic reopening. As consumers start spending at retail locations and restaurants again, Lightspeed could see an uptick in transaction volumes.

Another reason this is an interesting stock to buy right now is the threat of inflation. Investors are worried about runaway prices and relentless inflation over the coming year. Lightspeed, however, transmits inflation. Lightspeed's top line expands when its merchants raise prices. That makes it a safer stock to buy during inflationary cycles.

Keep this on your radar.

Energy bet

Another inflation play is **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)), Canada's leading oil and gas stock. Oil prices have been steadily climbing throughout the year. A barrel of West Texas Intermediate crude is \$73.3, more than double its price last year. Some experts believe the price could keep rising as people resume traveling.

Suncor [directly profits from higher oil prices](#). In its latest quarter, Suncor delivered \$2.1 billion in funds from operations, \$746 million in operating earnings, and \$821 million in net income.

Unsurprisingly, the stock is up 41.7% year-to-date. It's still reasonably valued, trading at a forward price-to-earnings ratio of 11.3 and offering a 2.77% dividend yield. Suncor is essentially an undervalued bet on the world's most important commodity in the midst of a historic wave of inflation. If you're looking for a robust stock to buy right now, this is one of the best options.

Enterprise tech

My *Fool* colleague Kay Ng believes **AcuityAds Holdings** ([TSX:AT](#))([NASDAQ:ATY](#)) is one of the most undervalued tech stocks on the market right now. His calculation suggests the stock could have as much as [74% upside from current levels](#). The stock is up 6% since he wrote that article, so time could be running out.

Acuity offers a consolidated platform to help marketing professionals plan and buy digital ads. The platform's key differentiator is its artificial intelligence model that aids in analytics. Essentially, it helps people sell stuff online with more precision. That's a timeless business.

It's also pretty lucrative. Acuity delivered \$54 million in gross profit on \$108 million in revenue over the past 12 months. Acuity's recent listing on the NASDAQ helped it raise US\$57.5 million which could fuel mergers and acquisitions in the future.

This reasonably-priced growth opportunity is probably one of the best stocks to buy right now.

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2. NYSE:SU (Suncor Energy Inc.)
3. OTC:ILLM.F (Illumin)
4. TSX:ILLM (AcuityAds)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:SU (Suncor Energy Inc.)

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Date

2025/07/04

Date Created

2021/06/26

Author

vraisinghani

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