



2 Top Canadian Value Stocks to Buy in July

Description

Often, when investors think of a stock that's cheap, the first thing that comes to mind are stocks that have attractive-looking charts and that have declined from previous highs. However, it's entirely possible to find some of the top Canadian value stocks worth a buy that have been growing rapidly yet are still undervalued.

One of [Warren Buffett's](#) most famous quotes is, "Price is what you pay; value is what you get."

Value will be different for everyone. So, whether it's a recovery stock that looks cheap or a high-growth stock that deserves a premium, the key is to find investments that you think have value today and are worth a [long-term investment](#).

So, with that in mind, here are two of the top Canadian stocks trading with superior value that are some of the top buys of July.

A top restaurant stock for dividend investors

After lagging behind other countries early, Canada's vaccination effort has been ramping up, and the country is well on its way to recovery.

This will provide a big boost to sales for restaurants, which is why one of the top Canadian value stocks for investors to buy in July is **Boston Pizza Royalties** ([TSX:BPF.UN](#)).

Boston Pizza is one of Canada's most popular restaurant chains and has significant potential to recover over the next few months. With dining restrictions finally starting to be lifted, Boston Pizza can see a rapid recovery in revenue quickly. And because the fund receives a royalty on sales, investors can expect a big bump over the coming months.

In the most recent quarter, Boston Pizza's sales were about 30% below its pre-pandemic rate. Furthermore, the fund, which pays a dividend that currently yields 5.4% today, is only actually paying out just over half of what it did before the pandemic.

So, if you're looking for a stock with plenty of capital gains potential and the likelihood of a dividend increase or two later this year, Boston Pizza is one of the top Canadian value stocks to buy today.

A top Canadian value stock to buy while it's still cheap

There are hardly any recovery stocks left. But in addition to Boston Pizza, another high-quality Canadian company that looks like it has significant potential these days is **Roots** ([TSX:ROOT](#)).

Roots is one of the most popular Canadian fashion brands and a stock with a tonne of potential these days. Even before the pandemic began, Roots faced challenging headwinds that saw its stock sell off below a market cap of \$100 million.

Roots is still an incredible company, though, with loyal customers and stores across the country. So, for the company to have been worth less than \$100 million before the pandemic was extremely cheap.

Even today, as it's turned its business around and is recovering well from the pandemic, it still trades at ultra-cheap prices. This is why it's one of the top Canadian value stocks to buy today.

The company currently has a market cap just north of \$150 million and trades at a price-to-earnings ratio of just 10.5 times.

So, if you're looking for a top Canadian value stock to buy in July, Roots has both short-term recovery potential and long-term growth potential, making it one of the best investments you can make today.

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2. TSX:ROOT (Roots Corporation)

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Date

2025/08/17

Date Created

2021/06/28

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