



2 Canadian Value Stocks to Buy As Markets Hit All-Time Highs

Description

If you've been in the markets for the last 15 months, there's a chance you've done extremely well. Stocks on both sides of the border have had an incredible recovery and rapid rallies, leaving few value stocks left for investors to buy today.

A booming market is always nice to see in terms of your portfolio growing. However, it makes it a lot harder to find your next investments.

You don't want to overpay for high-quality stocks. At the same time, though, you don't want to buy low-quality companies just because they look cheap.

This makes it extremely important to analyze all the stocks you're buying today and make sure you're taking advantage of the best opportunities.

With that in mind, here are two top Canadian value stocks with real potential to rally.

A top restaurant stock

One of the best Canadian stocks to buy today has to be **Boston Pizza Royalties Income Fund** ([TSX:BPF.UN](#)).

Ever since the pandemic hit, one of the best investments has been in recovery stocks. And while all the focus has been on stocks like **Air Canada** and **Cineplex**, Boston Pizza has been quietly trading well undervalued and paying a 5% dividend at the same time.

The fund earns a royalty on the revenue that each location across Canada does. This makes it the perfect stock to buy, especially as COVID-19 restrictions are lifted.

With indoor dining and higher capacities being allowed at restaurants, the Canadian value stock has the opportunity to recover rapidly.

And the second the restaurants start to see an uptick in sales, so too will the fund. This will be promising for two reasons.

First, because the Canadian value stock has little administrative costs and is set up to pay out essentially all of its income, this rapid rise in sales will flow straight to the bottom line. So investors can expect dividend increases soon.

In addition, as the business is earning more money, and as it starts to increase the cash it's paying out, naturally, the price of the units will rise.

With the summer months upon us and Canada working extremely well to vaccinate its population, Boston Pizza has a tonne of tailwinds.

I'd buy this Canadian value stock soon, though. There's no telling how quickly it could start to increase its dividend.

The top Canadian value stock

In addition to Boston Pizza, another high-quality Canadian value stock is **Corus Entertainment** ([TSX:CJR.B](#)).

[Corus](#) is a media company that makes most of its money from its T.V. assets. The company has basic cable channels, specialty subscription channels, a streaming service business as well as a content creation business.

Corus' business operations are strong. However, the problem that the company faced was a massive debt load. So even before the pandemic, the stock was in turnaround mode, working to improve its financial position.

This is why the stock remains cheap, even today. Even though Corus weathered the storm well, never trimmed or halted its dividend, and actually managed to pay down a significant portion of its debt through the pandemic, it shows that the company is in a much better position today.

The stock can't stay cheap forever, though. And right now, Corus, despite being up over 50% year-to-date, is still trading well undervalued.

The Canadian value stock has a forward price-to-earnings ratio of just 7.3 times. That makes it one of the cheapest stocks on the market and a top Canadian value stock to buy now.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BPF.UN (Boston Pizza Royalties Income Fund)
2. TSX:CJR.B (Corus Entertainment Inc.)

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