



2 Top TSX Undervalued Stocks to Buy Right Now

Description

The focus on [finding undervalued stocks](#) is on. Indeed, in this market, which has seen some volatility today amid what appears to be risk-off sentiment, this shift could be accelerated in the near term. Accordingly, those seeking safe places to hide are increasingly looking at value picks.

That said, there doesn't happen to be a wide variety of value stocks on the market today. Few are trading at valuations that remain attractive right now. However, there happen to be a few Canadian stocks that fit this profile nicely.

Let's dive into two of the top value picks every long-term investor should consider today.

Undervalued stocks: Alimentation Couche-Tard

Alimentation Couche-Tard (TSX:ATD.B) has been one of my [top value picks](#) for some time.

Indeed, this company's valuation speaks volumes. Currently, Couche-Tard trades at a rock-bottom multiple of less than 15 times earnings. Given this company's growth profile, that's extremely cheap on a historical basis. Compared to some of the other growth sectors such as technology, this valuation is unheard of.

Sure, gas stations and convenience stores aren't necessarily a "sexy" business to invest in. However, Couche-Tard has proven it's a company with a business model that works. Via years of consolidating this sector, Couche-Tard has been able to build synergies and economies of scale that are impressive. Long-term investors who have trusted their capital to Couche-Tard's management team have done very well. I expect this situation to continue.

Additionally, the value Couche-Tard provides as a pandemic reopening play cannot be understated. As the economy reopens and commuters get back to doing their thing, Couche-Tard's business provides nice cyclical upside to this trade. Now appears to be a great time to consider shares of this \$50 billion market cap company.

Kirkland Lake Gold

The gold mining space has traditionally been one filled with high-quality value stocks. Indeed, the valuations of these gold miners relative to the historical price of gold leaves quite the valuation gap to be exploited.

For investors looking at Canadian gold miners, **Kirkland Lake Gold** (TSX:KL)(NYSE:KL) is one of the best in this space. The company's high-grade production, and high margins provide serious cash flow stability today. While the average price of gold is likely to be lower this year than last, it's also true that Kirkland Lake is raising production. I expect top- and bottom-line increases from this company in the near-term, with outperformance likely in the medium to long term.

With bond yields coming down, real yields have become even more negative. For gold and gold miners, this is a good thing. However, given the broad-based selloff today, everything is down. This is the kind of buying opportunity for companies like Kirkland Lake that's worth exploring.

CATEGORY

1. Dividend Stocks
2. Investing
3. Metals and Mining Stocks

POST TAG

1. growth
2. growth stocks
3. investing
4. market
5. Stocks
6. value investing

TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Dividend Stocks

2. Investing
3. Metals and Mining Stocks

Tags

1. growth
2. growth stocks
3. investing
4. market
5. Stocks
6. value investing

Date

2025/08/14

Date Created

2021/07/08

Author

chrismacdonald

default watermark

default watermark