



5 of the Best TSX Value Stocks to Buy Right Now

Description

It has been a strong year for **TSX** value stocks, but that trade has been starting to show some signs of weakness. Yet, given the potential for increased inflation and interest rates to rise, there still could be good upside for [value stocks](#). Here are five stocks that still look pretty attractive today.

Enbridge: A top TSX dividend stock

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) has faced a lot of [negative press](#) in 2021. As a result, its stock has yet to recover to the same extent as many of its energy peers. Today, it is trading with a 6.75% dividend. This is one of the highest dividends on the **TSX Index**. Yet, its yield is very well-covered by cash flows from its extensive pipeline and storage operations across North America.

This stock gets a bad rap by ESG investors, yet it is working to be a part of the energy transition. Already, it has substantial investments in renewables. Its pipelines could potentially be transporters of renewable natural gas and hydrogen. In the meantime, investors collect a great dividend that should likely grow over the next few years. Sounds like a win-win scenario.

Canadian National Railway: A top TSX transport stock

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) has also lagged its transportation peers this year. Right now, its stock is presenting some fairly attractive value. As Canada's largest railroad, it has a competitive network across Canada and the U.S.

While its acquisition of **Kansas City Southern** is still very speculative, it would create an enviable transportation super-line from Canada to Mexico.

Should this not occur, CN still has some upside by working to improve its operating ratio and expanding its infrastructure. New railroads are impossible to build today, so CN's assets capture a very strong competitive moat. This is one TSX stock you can buy and just about hold for forever.

Andrew Peller

As most of North America fully re-opens, people are eager to get out shop, dine, and travel. That pent-up demand could be very favourable for **Andrew Peller** ([TSX:ADW.A](#)). It is one of Canada's largest wine and spirits producers and distributors. Despite supply chain challenges created by the pandemic, Andrew Peller still produced record results last year.

Value beverages flew off the shelves during the pandemic, but "revenge-spending" consumers should push some strong demand for its higher-margin premium wines and spirits. Right now, this stock is very cheap at only 14 times earnings. It also pays a 2.6% dividend, so investors get a decent return while they wait for this beverage business to fully recover.

Intertape Polymer Group

If you are receiving more and more **Amazon** boxes every week, **Intertape Polymer Group** ([TSX:ITP](#)) may be a TSX stock for your radar. It produces a broad array of tapes, wraps, and packaging. One of its growing applications is packaging solutions for the e-commerce industry. As a result, Intertape enjoyed a huge surge in demand for its products last year. It produced a record year for earnings, adjusted EBITDA, and free cash flow.

Despite the waning pandemic, this business is also getting a boost from the general recovery in industrial businesses, house building, and retail shops re-opening. It is investing organically at very high rates of return and 2021 could be another banner year. Plus it pays an attractive 2.8% dividend right now.

Sylogist

Lastly, **Sylogist** ([TSX:SYZ](#)) is a pretty interesting technology-focused value stock. It provides SaaS enterprise planning solutions largely to education institutions and not-for-profits. Certainly, this is not an exciting, [high-growth technology space](#). Yet, its solutions are mission-critical and they consistently produce high margins and a ton of free cash flow.

Sylogist has a new leadership team that is actively looking for opportunities to grow organically and by acquisition. It has \$22 million of cash on the balance sheet and around \$100 million of total dry powder. The stock pays a 3.8% dividend, but growth could be just over the horizon for this TSX stock.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:ADW.A (Andrew Peller Limited)
4. TSX:CNR (Canadian National Railway Company)

5. TSX:ENB (Enbridge Inc.)
6. TSX:ITP (Intertape Polymer Group)
7. TSX:SYZ (Sylogist Ltd.)

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