



3 Top TSX Value Stocks to Buy Before September

Description

Growth stocks have done very well over this past decade. Indeed, over the past year, these stocks have outperformed value stocks and various [undervalued](#) sectors significantly. Accordingly, investors may be hesitant to invest a significant portion of their portfolio in defensive names today.

However, some signs are beginning to point to a rotation toward value-oriented stocks. As it happens, the TSX has some great value stocks to choose from. Among the top on my list right now are **Kirkland Lake Gold** (TSX:KL)(NYSE:KL), **Alimentation Couche-Tard** (TSX:ATD.B), and **Restaurant Brands** (TSX:QSR)(NYSE:QSR).

Here's why I think these stocks should be on every investor's radar right now.

Top value stock: Kirkland Lake Gold

Gold miners have been among the value stocks I've thought are the most intriguing right now. And in this peer group, Kirkland Lake Gold stands out to me as a clear long-term winner.

Why?

Well, Kirkland Lake's valuation is simply hard to beat. The company currently trades at around [12 times earnings](#), with strong forecasted earnings-per-share growth. Additionally, this is a company with a pristine balance sheet and a growing dividend. For an investor with a long-term time horizon, there are few stocks matching the upside potential of Kirkland Lake today.

Furthermore, given the fact Kirkland Lake is a gold miner, this stock provides defensiveness that's hard to come by in this market. Those looking for safe, defensive growth ought to consider undervalued gems like Kirkland Lake today.

Top value stock: Alimentation Couche-Tard

One of the best long-term value stocks over the past year has been Couche-Tard. This purveyor of gas stations and convenience stores has been dealt a big blow by the pandemic. Driving volumes have declined substantially alongside Couche-Tard's revenue streams. Additionally, slowing M&A deal flow has led some investors to seek growth-by-acquisition plays elsewhere.

However, I'm of the view that Couche-Tard's positioning remains strong. This is a company which is expected to double its earnings per share over the next five years. For investors picking up Couche-Tard at under 17 times earnings today, that's a steal.

Long-term investors seeking the right mix of growth, income, and value can't go wrong holding Couche-Tard stock over the long term.

Top value stock: Restaurant Brands

Another long-term growth stock trading at value stock levels is Restaurant Brands. This conglomerate of world-class fast-food banners hasn't moved much this past year. That's despite a relatively strong reopening thesis with this stock as well.

Restaurant Brands's long-term growth prospects remain strong, as do the company's fundamentals. I view this fast-food player as one of the best value stocks in its sector. Indeed, compared to the other big names in the quick-service restaurant space, Restaurant Brands is dirt cheap.

The company's 3.3% dividend yield is simply the cherry on top for me. I think Restaurant Brands is a stock worth holding for the very long term. There's no telling what other sectors will do over the coming decades. However, Restaurant Brands's business model is about as stable as they come.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:ATD (Alimentation Couche-Tard Inc.)
3. TSX:QSR (Restaurant Brands International Inc.)

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Date

2025/07/02

Date Created

2021/08/26

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