



3 Top Canadian Value Stocks to Buy in September

Description

With the summer coming to a close, many investors are looking to re-jig their portfolios. Indeed, any excuse to look at quality value stocks is one I'll take. Given how far and how fast growth stocks have run, [adding some value](#) certainly seems like a good idea right now.

For those considering adding top-notch Canadian value stocks, here are three of the best such options on the TSX. Let's dive in.

Top value stocks: Alimentation Couche-Tard

Alimentation Couche-Tard (TSX:ATD.B) is a company with a market capitalization of approximately \$55 billion. The idea that a company this highly valued qualifies as a value stock may shock some.

However, it's the size of Couche-Tard's existing and future cash flows that make it so. Indeed, Couche-Tard has proven to be an incredible compounder over the years. The company projects double-digit growth for next year. Additionally, analysts expect this company to double its free cash flows over the next five. That makes Couche-Tard's valuation of less than 17 times earnings look particularly attractive in this high-valuation environment.

I foresee more acquisitions on the horizon for this company, providing investors with impressive growth. Indeed, those looking for a growth-at-a-reasonable-price play certainly have a lot to like about Couche-Tard.

Manulife

Next up on the list of top value stocks is **Manulife** ([TSX:MFC](#))([NYSE:MFC](#)). A relatively mid-sized player in the insurance sector, this company has a market capitalization of approximately \$48 billion at the time of writing. Thus, Manulife is no slouch itself.

This global player in the insurance industry has focused on boosting its presence in Asia. The

company's focus on developing its insurance business in China has been both a good and bad thing for this company. However, right now, Manulife appears to have escaped the hyper-regulatory Chinese environment to provide investors with some impressive growth.

This company is expected to grow at an average rate of around 15% over the next five years. If we look at the company's valuation at around [seven times earnings](#), we see this is a very cheap multiple to pay for such growth. Accordingly, I think long-term investors would do well to consider this undervalued gem.

Kirkland Lake Gold

Perhaps the best gold miner out there, **Kirkland Lake Gold** (TSX:KL)(NYSE:KL) has been one of the value stocks I've been pounding the table on for a long time.

This company's debt-free and otherwise pristine balance sheet is a thing of beauty. It's also something that's hard to find in the gold mining space. Indeed, this is a sector plagued by over leverage and poor capital allocation in recent decades. However, Kirkland Lake has shown the ability to buck this trend.

This is also a company that's printing a tonne of cash each and every month. Accordingly, this is a stock I think is one of the best long-term plays at around \$50 per share. I think this is a stock worth well above \$100 per share and see it as a double-up over the medium term, at least.

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