



3 Canadian Stocks to Buy While They're Still Cheap

Description

It may not seem like the most opportunistic time to go bargain hunting on the Canadian stock market today. The **S&P/TSX Composite Index** is up close to 20% on the year, and the bullish momentum doesn't seem to be slowing just yet.

Understandably, the valuations of many of the top growth stocks on the TSX are soaring too high for many Canadian investors. It's not uncommon to find a high-growth tech stock trading at a price-to-sales ratio above 30.

All hope is not lost for [value investors](#), though. The wild volatility that investors across the globe have witnessed since early 2020 has created plenty of interesting buying opportunities for long-term investors.

I've put together a list of three [top Canadian stocks](#) that investors can pick up at a discount today. In the short term, it's hard to predict how the pandemic will affect each of these three stock's share prices. But if you're willing to hold for the long term, I'd put these three picks at the top of your watch list right now.

Brookfield Renewable Partners

One of my top must-buys on the TSX today is **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)). The \$14 billion company is a leader in the growing renewable energy space. It's also been trading at a massive discount for several months now.

The entire renewable energy sector has been trending downward for most of the year. After a strong performance in 2020, most green energy stocks have seen share prices cool off this year. Now is the time to be loading up on renewable energy stocks.

Even though this Canadian stock is down 10% year to date, shares are up 140% over the past five years. And that's not even factoring in its impressive 2.9% dividend yield, either.

The expected growth of the renewable energy sector in the coming years has me banking that the next five years will be even better than the last five for Brookfield Renewable Partners.

Scotiabank

The major Canadian banks are some of the top value plays on the TSX today. The Big Five have all returned strong growth in 2021 but are still very [reasonably priced](#).

If you're looking for value, stability, and passive income, all in one stock, you can't go wrong with owning a Canadian bank. At the top of my list of the major banks is **Scotiabank** ([TSX:BNS](#))([NYSE:BNS](#)).

The \$100 billion bank not only owns the highest yield among the Big Five but has one of the cheapest price tags, too. Its annual dividend of \$3.60 per share yields investors a whopping 4.6%. In addition to that, it's trading at a forward price-to-earnings ratio of only 10.

WELL Health Technologies

After a 400% run in 2020, not many investors would consider **WELL Health Technologies** ([TSX:WELL](#)) a discounted stock. It is, however, trading more than 10% below all-time highs. So, if you were thinking of starting a position, now would be a wise time.

The telemedicine stock saw demand for its services, unsurprisingly, surge during the pandemic. That resulted in market-crushing growth in a short amount of time.

Having joined the TSX in 2016, WELL Health is still only valued at a market cap of just over \$1 billion. On market cap size alone, I'm betting that this telemedicine stock has many more years of market-beating growth ahead of it.

Similar to renewable energy, telemedicine is one area of the market that I'd urge any investor to have exposure to. The telemedicine industry has been growing steadily for several years, and the pandemic helped speed that growth up dramatically.

WELL Health may not necessarily be cheap from a valuation perspective. It is, however, a stock that I'm extremely bullish on that's trading at discount from previous highs.

CATEGORY

1. Bank Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)

4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:WELL (WELL Health Technologies Corp.)

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