



## Couche-Tard Stock: Is Too Much Demand a Bad Thing?

### Description

Value investing is a go-to option for investors looking to maximize their long-term wealth. However, it is only getting harder to find reliable stocks trading below their intrinsic value. **Alimentation Couche-Tard** (TSX:ATD.B) is one such value stock that I've been pounding the table on of late. However, I think Couche-Tard stock could actually also be a great [growth stock](#) right now.

Let's dive into what's driving a positive growth outlook for Couche-Tard right now.

### Couche-Tard stock: An interesting bet for investors

Over the [past six months](#), Couche-Tard stock has performed very well. Shares of this Canadian convenience store and gas chain operator are up approximately 20% over this time frame. Indeed, the pandemic reopening thesis remains strong with this stock.

For those less inclined to believe this reopening thesis is as strong as investors do, consider the company's hiring troubles. Currently, Couche-Tard is having a whale of a time bringing on new employees. For a company with a whopping 14,000 stores, the HR department is likely a bit under pressure (to say the least) to fill the spots necessary to meet demand.

Couche-Tard has begun to offer sector-leading retention and hiring bonuses to please its employees. Free cell phones and other perks have recently been added to the mix.

However, it appears the demand Couche-Tard is seeing provides Couche-Tard stock with a significant risk. That is, that the company won't be able to scale up fast enough to meet this demand.

That's a good problem to have. However, it's still a problem. Accordingly, whether Couche-Tard stock can grow alongside its demand remains to be seen.

### Bottom line

Couche-Tard's recent earnings have highlighted just how strong demand is for this company's products and services. The company has seen revenues and earnings surge. These have complemented impressive strength in Couche-Tard stock of late.

That said, Couche-Tard stock still remains cheap on a relative basis. This company's valuation sits at less than 16 times earnings. Compared to the overall market, investors in Couche-Tard stock are getting a steal of a deal right now.

Given this company's prospective growth trajectory, I think Couche-Tard stock could be one of the best, and most overlooked, stocks on the TSX right now. This is a company with a strong reopening thesis, and one I expect to continue to post impressive growth numbers in the quarters and years to come.

Accordingly, I think Couche-Tard is a company every long-term investor should consider right now.

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