



3 Top Canadian Stocks to Buy in October 2021

Description

Canadian investors have been enjoying an incredible [bull market](#) as of late. The **S&P/TSX Composite Index** is up more than 15% this year and close to 75% since the end of March 2020.

It's hard to imagine seeing this bull run continue but I'm still as bullish as ever, at least in the long-term. It's anybody's guess as to how the market will fare through the last three months of the year. But looking over the next five or 10 years, there's no shortage of [high-quality Canadian stocks](#) on the **TSX** that I'm looking forward to in the coming years.

If you're prepared to invest in the Canadian stock market today, being aware of the market's valuation is important. The current bull run has sent valuations of many stocks on the TSX soaring to what many people would consider overvalued territory.

As more of a growth investor myself, the market's current valuation has me looking for more [value-oriented buys](#) this month to balance out some of the higher-priced picks in my portfolio.

Here's a list of three Canadian stocks that range from relatively inexpensive to extremely frothy.

Canadian stock #1: Nuvei

Investors will need to pay a premium to own shares of this top growth stock. **Nuvei** ([TSX:NVEI](#)) stock is trading at a lofty price-to-sales ratio of 40 today.

The stock isn't cheap but it's done nothing but impress investors since it joined the TSX last year. Shares are up more than 200% over the past 12 months.

Nuvei provides all kinds of payment processing solutions to its customers. It serves both online and brick-and-mortar retailers. It also has a presence across the globe, with business in North and South America, Europe, and Asia.

While the Canadian stock may be trading at a hefty premium and all-time highs, I don't see it underperforming the market anytime soon.

Canadian stock #2: goeasy

This Canadian stock might be one of the best-kept secrets on the TSX. Shares of **goeasy** ([TSX:GSY](#)) have absolutely crushed the market's returns over the past decade and it's not trading anywhere near the valuations of other top growth stocks.

The stock is trading at a very favourable forward price-to-earnings ratio below 20. Given that this stock has been a 7-bagger over the past five years alone, it's trading at an absolute bargain right now.

The \$3 billion company is a loan provider to Canadian consumers. Home and auto are two of the main areas of business for goeasy.

With a potential spike in consumer spending following the country's eventual reopening, I wouldn't bet against this stock in the short or long term.

Canadian stock #3: Algonquin Power

Last on my list of top Canadian stocks to buy this month is a utility superstar. It's not going to light the world on fire with its growth but it's no stranger to outperforming the market.

Shares of **Algonquin Power** ([TSX:AQN](#))([NYSE:AQN](#)) are up a market-beating 60% over the past five years. That's not even factoring in its impressive 4.5% dividend yield, either.

This Canadian stock is on my radar to help reduce the amount of volatility in my portfolio. Not only that, but Algonquin Power will provide my portfolio with much-needed diversification outside of the high-flying tech sector.

If you're in need of a high-yielding defensive stock, Algonquin Power should be at the top of your watch list this month.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:NVEI (Nuvei Corporation)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. arosenberg
2. ndobroruka

Category

1. Investing
2. Tech Stocks

Date

2025/08/26

Date Created

2021/10/02

Author

ndobroruka

default watermark

default watermark