



2 Undervalued TSX Stocks to Buy Today

Description

Several factors led to the recent most uptick in the market. The **S&P/TSX Composite Index** went through a rough month in September 2021, putting up its worst performance in the pandemic since the initial downturn in February and March 2020. A global recovery seems to be well underway as the benchmark index managed to hit new all-time highs.

While finding high-quality, [undervalued stocks](#) in such a market environment has become increasingly challenging, it is not impossible. There are a few undervalued stocks that you can add to your investment portfolio today to enjoy [substantial long-term gains](#). Today, I will discuss two stocks that should be on your radar if you are looking for undervalued stocks.

Alimentation Couche-Tard

Alimentation Couche-Tard (TSX:ATD.B) is an excellent stock to consider if you are looking for an undervalued stock that can provide you with long-term growth. The company owns and operates a chain of over 14,000 convenience stores and gas stations worldwide. Alimentation Couche-Tard has become a massive company over the years through a successful acquisition strategy.

Operating in a defensive sector, the \$51.77 billion market capitalization stock is a giant in its industry, and it still boasts a favourable valuation today. Alimentation Couche-Tard stock is trading for \$48.09 per share at writing. The stock is currently trading for an almost 8% discount from its all-time high in August 2020. Investing in its shares could provide you with significant short- and long-term gains.

Magna International

Magna International ([TSX:MG](#))([NYSE:MGA](#)) is another excellent asset that you can consider adding to your portfolio for long-term gains. The \$31.06 billion market capitalization is a giant in Canada's automotive industry. The surge in popularity of the Electric Vehicle (EV) industry has provided a massive boost to Magna International as the company has geared itself to cater to the demand.

Magna International has a significant presence across 28 countries worldwide, producing over 3.7 million cars over the years. It is the third-largest supplier for the global automotive industry, specializing in electrified powertrains to capitalize on the growing demand for electric vehicles due to rising environmental concerns.

The stock is trading for \$103.32 per share at writing, reflecting a discount of over 17% from its all-time high in June 2020. Investing in its shares could provide you with significant short- and long-term wealth growth if the stock recovers to its all-time high and goes beyond in the coming years.

Foolish takeaway

Value investing has come a long way over the years. With better access to information about the underlying companies, it has become easier for investors to identify undervalued stocks that boast significant long-term upside potential. Investing in the right company can provide you with access to a [substantial growth of funds in the long run](#) through capital gains.

Alimentation Couche-Tard and Magna International are two businesses that boast upside potential while trading for an attractive valuation. It would be wise to have these two stocks on your radar as a part of your portfolio today.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:MG (Magna International Inc.)

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