



FIRE SALE: 3 Undervalued Canadian Stocks to Buy Today!

Description

Even though the **TSX Composite Index** is just off its all-time high and has continued to set new records all year, as well as the fact that many Canadian stocks are arguably overpriced, there are still a handful of high-quality stocks to buy undervalued in this environment.

In situations like these, when many stocks are expensive, and the market continues to set all-time highs, it can be difficult to find stocks that are [undervalued](#). It's crucial, though, that you make sure not to overpay for companies in this environment. Conversely, you don't want to buy lower-quality companies just because they look cheap.

So with that in mind, if you're looking for a discount, here are three of the best undervalued Canadian stocks to buy today.

A top Canadian financial stock to buy undervalued today

If you're looking to take advantage of stocks trading cheaply, one of the best to buy today is **Manulife** ([TSX:MFC](#))([NYSE:MFC](#)). Manulife is a massive Canadian financial company and one of the best stocks to buy and hold long-term.

It operates in a highly essential industry that's been around for years and isn't going anywhere. Furthermore, the stock is a Canadian Dividend Aristocrat as it's consistently growing its income and returning more to investors.

So the fact that Manulife is trading so cheap today makes it an excellent opportunity. You don't get the chance to buy massive \$47 billion Canadian companies trading at a major discount very often.

In addition to the fact that Manulife has so much long-term potential to expand its operations in Asia, it also stands to benefit considerably as interest rates are increased, which should start happening in the coming quarters.

Analysts are bullish on the stock too. The average target price is nearly \$34 and almost 40% higher

than where Manulife trades today.

So if you're looking to buy high-quality Canadian stocks while they are on sale today, Manulife is currently offering investors one of the best opportunities.

A dirt-cheap communications stock

Another considerably cheap Canadian stock you may want to buy today is **Cogeco** ([TSX:CGO](#)). Cogeco is a communication stock that offers internet, video, and telephony services. The company has operations both in Canada and the United States. In addition, it also owns Cogeco media, which has a portfolio of several radio stations as well as a news agency.

Cogeco is an excellent business because the communications sector is increasingly becoming defensive. And while most defensive industries don't see that much growth, the communications sector has grown rapidly in recent years with all the consistent innovations in the space.

To get an idea of just how defensive Cogeco's operations are, you can see its income statement, which never saw a single quarter of negative revenue growth through the entire pandemic.

So the fact that Cogeco is trading at a forward enterprise value/[EBITDA](#) ratio of just 4.6 times shows its extremely cheap. Therefore, if you're looking for a top Canadian stock to buy now, Cogeco is well undervalued and, like Manulife, also increases its dividend each year.

A top value stock seeing insider buying

Last but not least is one of the cheapest stocks in Canada, **Corus Entertainment** ([TSX:CJR.B](#)). Corus is a media company with T.V assets, multiple streaming services, and a content creation business.

The stock has been cheap for some time, offering an incredible opportunity to investors who are willing to be patient and wait for a rally. Plus, in the meantime, the stock pays an attractive 4.3% dividend.

Corus is so cheap that its valuation is arguably shocking. The stock trades at a forward price to earnings ratio of 6.5 times, a forward enterprise value/EBITDA ratio of just 5.2 times, and a price to free cash flow ratio of just 4.0 times. This is extremely cheap, which is why it's no surprise that insiders at the company have started to buy stock too.

According to public filings, last week, CEO Douglas Murphy purchased shares from October 25 to October 27 at prices between \$5.55 and \$5.71 a share.

So if you're looking to buy Canadian stocks undervalued, Corus is easily one of the best opportunities investors have today.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. TSX:CGO (Cogeco Inc.)
3. TSX:CJR.B (Corus Entertainment Inc.)
4. TSX:MFC (Manulife Financial Corporation)

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