The Best Cheap Canadian Stocks to Buy Today

Description

The **S&P/TSX Composite Index** rose 113 points to close out the first trading week of November. Canadian stocks have responded well to news that the Bank of Canada was easing back on its QE bond-buying program. Moreover, there is lingering anxiety over the prospect of interest rate hikes. Today, I want to look at three Canadian stocks that have not fared as well in recent weeks. Are these cheap stocks worth snatching up right now? Let's dive in.

Is there any reason to trust this top cannabis stock?

Canopy Growth (TSX:WEED)(NYSE:CGC) is one of the largest cannabis producers in Canada. The cannabis industry has been somewhat toxic for investors since recreational legalization became official in October 2018. Shares of this Canadian stock have plunged 56% in 2021 as of close on November 5. The stock has plunged 7.4% over the past week.

When this year began, I'd discussed why Canopy Growth was perfectly positioned to benefit from potential recreational cannabis legalization in the United States. Public opinion in the U.S. has swung heavily in favour of federal legalization. However, progress on the policy side has been slow. It remains to be seen whether the Biden administration will set its sights on this issue after it finally broke through with its infrastructure package.

Canopy unveiled its second-quarter fiscal 2022 results on November 5. It announced plans to acquire the top edibles company in North America. However, it saw revenues slip 3% from the prior year. Worse, it was forced to push back its profitability target due to supply challenges. Shares of this Canadian stock have hovered in and around oversold territory since mid-July. Investors will need to exercise patience to stick with Canopy, as the cannabis space still struggles with major growing pains.

Here's a top Canadian stock whose business is on the upswing

In the beginning of November, I'd discussed why I was targeting **Restaurant Brands International** (TSX:QSR)(NYSE:QSR). The Canadian stock has dropped 2.6% in the year-to-date period. However, its shares have shot up 5% week over week.

Last week, I'd discussed the state of the restaurant industry as it related to RBI right now. The industry has faced huge challenges due to the COVID-19 pandemic. Fortunately, it is geared up for a big rebound in the months and years ahead. RBI is well positioned to gain in this environment.

In Q3 2021, RBI delivered global system-wide sales growth of 11%. Meanwhile, total revenues came in at $1.49 billion — up from $1.33 billion in the previous year. Adjusted EBITDA climbed to $607 million compared to $561 million in the third quarter of 2020. RBI is no longer in technically oversold territory, but it is not too late to jump on this promising Canadian stock.

One more Canadian stock I'd snatch up on the dip

goeasy (TSX:GSY) is a Mississauga-based company that provides loans and other financial services. This Canadian stock has increased 89% in 2021. Its shares have slipped 5.2% week over week.

It released its third-quarter 2021 earnings on November 3. goeasy's loan portfolio grew 60% to $1.90 billion. Meanwhile, revenue rose 36% to $220 million. The company delivered adjusted net income of $46.7 million, or $2.70 per share — up 48% and 35%, respectively.

Shares of this Canadian stock possess a favourable price-to-earnings ratio of 13. It is also trending towards oversold territory with an RSI of 39.

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3. TSX:GSY (goeasy Ltd.)
4. TSX:QSR (Restaurant Brands International Inc.)
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