



## 2 Cheap Canadian Stocks to Buy for a Year-End Rally

### Description

With stock markets continuing to set new all-time highs, only a handful of Canadian stocks are trading cheap enough that value investors would consider a buy today. And because these stocks could offer so much potential, and may even see a significant rally to end the year, now is the time to take advantage.

Of course, we all want to buy stocks as cheaply as possible. But these stocks are only worth an investment if they are of high quality, and we believe they'll continue to appreciate back to their fair value over time.

So if you're looking for a high-potential stock or two that you can buy while it's cheap, here are two of the best Canadian stocks to consider today.

### A top Canadian gold stock trading at a major bargain

Several gold stocks offer investors attractive opportunities today. One of the top Canadian gold stocks to buy while it's cheap, though, is **B2Gold** ([TSX:BTO](#))([NYSEMKT:BTG](#)).

Not only is it cheap relative to current gold prices, but gold prices could also continue to climb as the dollar weakens with all this inflation. So B2Gold is an excellent investment to consider today.

The company is one of the lowest cost producers to buy and has been expanding its operations for over a decade now. This has led to impressive profitability from B2Gold, and at these gold prices, it can earn a tonne of cash flow. So with the Canadian stock down by almost 40% over the last 12 months, despite gold prices being down just 6%, it's incredibly cheap and one of the best to buy now.

Currently, B2Gold trades at a forward [enterprise value](#) to [EBITDA](#) ratio of just 3.3 times. Furthermore, it has a forward price-to-earnings ratio of just 9.0 times. Both are exceptionally cheap.

The stock even pays an attractive dividend to investors since it earns so much free cash flow. Currently, that dividend yields roughly 3.8%.

While almost all gold stocks are [undervalued](#), in my opinion, B2Gold has one of the biggest discounts, especially when you consider its quality. I'd buy it soon, though. These stocks have finally started to gain some momentum. Since B2Gold bottomed on September 29, it's already up by more than 28%.

Plus, the average target price from analysts is \$8.30, a more than 50% premium to today's price. So if you're looking to buy a high-quality Canadian stock that's cheap, I'd look to buy B2Gold as soon as possible.

## A top Canadian media stock to buy while its cheap

Another Canadian stock that continues to trade at a massive bargain is **Corus Entertainment** ([TSX:CJR.B](#)). If you thought B2Gold was cheap and worth a buy, just wait until you see the Canadian media stock's valuation.

Corus trades incredibly cheaply at a forward price to earnings ratio of just 6.2 times. Its forward enterprise value to EBITDA ratio is slightly higher than B2Gold's at 5.1 times. However, that's still a relatively cheap valuation. Furthermore, it's mostly due to Corus having a significant debt load while B2Gold has a \$500 million net cash position.

In addition, Corus has been paying down a significant portion of its debt for several quarters now, including throughout the pandemic. So the company continues to improve its position and earn a tonne of cash flow, yet the stock hasn't budged since March.

Analysts think it could be worth as much as \$10 a share in the next 12 months, with the lowest estimate being \$8.40. That's a 50% premium to today's price.

This makes the Canadian stock one of the best to buy now, and not just because it's cheap. Corus also pays a dividend that currently yields 4.3%. So you can be patient while you collect the dividend and wait for Corus to rally back to its fair value.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSEMKT:BTG (B2Gold Corp.)
2. TSX:BTO (B2Gold Corp.)
3. TSX:CJR.B (Corus Entertainment Inc.)

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#### **Author**

danieldacosta

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