3 Dirt-Cheap Canadian Stocks to Buy Now

Description

The **S&P/TSX Composite Index** rose 186 points on November 15. Canadian stocks have continued to rattle off impressive gains as we look ahead to the final weeks of 2021. It is hard work to find discounts in this environment. However, today I want to look at three Canadian stocks that look undervalued in the middle of November. Let's jump in.

Can Goodfood regain momentum in a post-pandemic world?

Goodfood Market (TSX:FOOD) is a Montreal-based company that delivers fresh meals and grocery products in Canada. Online grocery delivery surged in popularity in the face of the COVID-19 pandemic. I'd targeted the Canadian stock in the summer of 2020. However, shares of Goodfood have plunged 39% in 2021 as of close on November 13.

The company is set to unveil its fourth-quarter and full-year 2021 results on November 17. In Q3 fiscal 2021, Goodfood delivered revenue growth of 24% to $107 million. Meanwhile, it posted a net loss of $2.0 million — up $4.7 million compared to the previous year. It also delivered record gross profit of $38 million — up 51% from the third quarter of fiscal 2020.

Shares of this Canadian stock last had an RSI of 26. That puts Goodfood in technically oversold territory.

Here's food-focused Canadian stock I'd buy today

SunOpta (TSX:SOY) is a Minnesota-based company that manufactures and sells plant-based and fruit-based food and beverage products to its customer base. Shares of this Canadian stock have plunged 38% in the year-to-date period. The stock is down 24% year over year.

Maple Leaf is another Canadian company that has encountered big success with the launch of its plant-based alternative product line. Indeed, *Bloomberg Intelligence* recently projected that plant-based food retails sales could reach $162 billion by 2030. This would represent nearly 8% of the global protein market.

In Q3 2021, SunOpta delivered revenue growth of 3.6% to $198 million. Adjusted earnings were reported at $1.1 million or $0.01 per diluted share — up from an adjusted loss of $5.8 million, or $0.06 per diluted share. Meanwhile, adjusted EBITDA increased 8.4% year over year to $15.6 million. This Canadian stock possesses a very attractive P/E ratio of 9.6. It briefly dipped into oversold territory and now has an RSI of 37. It is not too late to scoop up SunOpta at a discount.

Don’t sleep on this undervalued Canadian stock

Back in September, I’d discussed why investors should consider a Canadian stock like **WELL Health** (TSX:WELL). Telehealth is another market that has seen huge growth during the COVID-19 pandemic. Shares of WELL Health have dropped 14% in the year-to-date period. The Canadian stock is up 8.4% year over year.

It released its third-quarter 2021 earnings on November 10. Revenues soared 711% year over year to $99.3 million. Meanwhile, it delivered an adjusted EBITDA of $22.3 million — up from a loss of $0.2 million in the third quarter of 2020. It was powered by recent acquisitions and Virtual Services revenue growth of 597%.

This Canadian stock is trading in favourable territory in comparison to its industry peers. WELL Health is a cheap stock that is well worth snatching up in the middle of November.

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