
2 Undervalued TSX Stocks to Have on Your Radar Today

### Description

At writing, the **S&P/TSX Composite Index** is up by 22.21% year to date, hovering close to its latest all-time high. It can be challenging for value investors to find undervalued stocks in a high-flying market. However, it is not entirely impossible to find **TSX** stocks trading for a bargain, even in environments like these.



Investor confidence in the stock market is high as the economic expansion continues, leading to equity markets soaring higher and higher. Today, I will discuss two undervalued Canadian stocks trading for attractive valuations that could be worthwhile additions to your investment portfolio if you are a value investor.

## Suncor Energy

**Suncor Energy** (TSX:SU)(NYSE:SU) has been on a strong run this year after the pandemic-fueled challenges drove crude oil prices down last year. The rising oil demand and improvement in the company's financials in its third-quarter have led to the stock gaining just over 50% on the stock market year to date.

Despite its stellar gains on the stock market due to a bull run for the energy sector, the Canadian energy infrastructure stock is down by a significant 42% from its all-time highs. Analysts anticipate commodity prices to remain at elevated levels in the near term due to supply concerns and rising demand. Oil producers like Suncor Energy are well-positioned to continue benefitting from this trend.

At writing, the stock is trading for $32.09 per share and boasts a juicy 5.24% dividend yield that you can lock into your portfolio today.

## Cineplex

**Cineplex** (TSX:CGX) recently released its third-quarter earnings report for fiscal 2021, and the beleaguered entertainment stock boasted a significant improvement from its previous quarters. The company's revenues increased by 310% to reach $250.4 million as easing COVID-19 restrictions saw all of its theatre locations open throughout the country.

The company's revenues through its box office segment rose to $94.1 million, up by 547.7%, and its cash flows from its foodservice segment rose to $70.9 million – a 515.9% increase. The company reported an adjusted EBITDA of $10.8 million in Q3 2021, with all of its business segments reporting positive figures for the first time since the pandemic struck. Barring any new pandemic-related challenges, Cineplex stock could be on the road to a strong recovery.

At writing, the stock is trading for $13.28 per share, up by 52.64% year to date. The stock is still trading for an over 60% discount from its pre-pandemic highs.

## Foolish takeaway

There is no doubt that the Canadian equity market as a whole is richly valued and arguably in overvalued territory. But not all Canadian stocks are trading at all-time highs, and there are a few excellent picks to consider if you are in search of high-quality stocks trading for attractive valuations today.

Suncor stock and Cineplex stock could be excellent picks for your investment portfolio at current levels if you want to enjoy substantial returns through capital appreciation by investing in the right undervalued TSX stocks.



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1. Dividend Stocks
2. Energy Stocks
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2. TSX:CGX (Cineplex Inc.)
3. TSX:SU (Suncor Energy Inc.)

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