3 Well-Priced Canadian Stocks to Jump on Now

Description

The **TSX** has fallen by as much as 3% on November 25, 2021, after peaking to 21,768.50 nine trading sessions ago. While the index's year-to-date gain remains over 20%, concerns over a new COVID variant caused the 487.30 points to drop on Friday. Some investors are spooked by the correction, while others see it as a buying opportunity.

You can take positions in **Cargojet** (TSX:CJT), **Jamieson Wellness** (TSX:JWEL), and **Bombardier** (TSX:BBD.B) while they trade at reasonable prices. The respective businesses have been resilient in 2021, as evidenced by the growing revenues.

Emerging opportunities

Cargojet President and CEO Dr. Arjay Virmani said the global bottlenecks in ocean and ground transportation supply-chains create short- to medium-term opportunities for air cargo. The emerging opportunities in the international air cargo segment excite management the most as it builds a strong presence abroad.

In Q3 2021, Canada's leading provider of air cargo services reported a 16.8% revenue growth versus Q3 2020. After the first three quarters of this year, Cargojet delivered net earnings of $65.4 million compared to the $67.3 million net loss in the same period last year. Management adds the $3 billion cargo airline is more diversified today.

Regarding the long-term outlook, Virmani is confident that e-commerce will remain strong. He notes the dramatic uplift in digital adoption in the past 18 months. At $175.78 per share (-17.82% year-to-date), Cargojet trades at a discount. However, market analysts forecast a potential upside of 42.1% to $249.83. It also pays a 0.60% dividend.

Focus on health and wellness

Jamieson Wellness is confident about the need of people to boost their immune systems or commit to maximizing vitality as the pandemic drags on. The $1.57 billion company manufactures and sells innovative natural health products (vitamins, minerals, and supplements).

The demand for these products could swell with the new COVID variant warning that could increase the risk of reinfections. Meanwhile, Jamieson reported revenue and net earnings growth of 6.4% and 11% in Q3 2021 versus Q3 2020. Its President and CEO Mike Pilato said, “Consumers’ continued focus on health and wellness has become a permanent fixture in their daily lives.”

Another notable highlight during the quarter was the 119.6% year-over-year increase in cash from operations. Management expects strong growth as consumer demand continues to exceed pandemic baseline levels. Jamieson trades at $39.14 (+9.56% year to date) and offers a 1.53% dividend.

On the path to a strong recovery

Bombardier is the cheapest of the three but is one of TSX’s top growth stocks with its 258.33% year-to-date gain. At only $1.72 per share, the trailing one-year price return is 319.51%. The $4.5 billion company, a global leader in aviation, prides itself in manufacturing and selling game-changing planes (business jets and commercial aircraft).

Because of improved delivery mix and strong after-market recovery, Bombardier’s business aircraft revenues in Q3 2021 rose 17.1% versus Q3 2020. The company also generated $100 million in free cash flow compared to the -$647 million from a year ago.

According to management, the quarterly result is a sign the industry is on the path to a strong recovery following the pandemic-induced global shock. Management added that the confidence levels are at a new all-time high.

Continued revenue growth

The stocks in focus are excellent buying opportunities. Despite the clear and present danger of the new COVID variant, revenue growth should continue in the quarters ahead.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:CJT (Cargojet Inc.)
3. TSX:JWEL (Jamieson Wellness Inc.)

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