



## 2 Excessively Punished Stocks That Are Undervalued Now

### Description

The **S&P/TSX Composite Index** consistently recorded new all-time highs through most of 2021. At writing, the Canadian benchmark index is down by 4.62% from its November 12, 2021, levels, but it is up by over 75% from its March 2020 pandemic low.

Investors seeking [undervalued stocks](#) have not had many opportunities since the market's recovery to soar to new all-time highs. But when such opportunities arise, value-seeking investors should consider adding shares of high-quality bargains to their investment portfolios.

The stock market has recently been going through a [significant pullback](#) after a long time, and many high-quality stocks are trading for depressed share prices on the TSX. Today, I will discuss two TSX stocks that could be a bargain at their current levels for value investors who are willing to stomach the short-term volatility they might see in the coming weeks.

### Suncor Energy

**Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) has long been a top choice for dividend-seeking investors who are interested in oil sands. The company lost its Canadian Dividend Aristocrat status in 2020 when it slashed its shareholder dividends by 55% in anticipation of the crisis that was about to devastate the economy. Many investors sold off their shares in energy companies as oil prices tanked, but the situation has been entirely different in 2021.

The energy sector led the charge, driving growth for the Canadian benchmark index due to rising energy demand and limited supply. As oil prices take a breather, Suncor stock has also cooled down. At writing, Suncor stock is trading for \$30.93 per share. It is down by almost 10% since November 25, 2021, but up by almost 43% year to date. It also boasts a juicy 5.43% dividend yield.

### Restaurant Brands International

**Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) is a \$33.73 billion market capitalization

giant in the Canadian fast-food industry. RBI boasts three massive names under its belt, namely Burger King, Tim Hortons, and Popeyes Louisiana Kitchen. Sluggish sales for Burger King and Tim Hortons have weighed on the stock, but Popeyes has been a success for the company.

The restaurant giant recently added Firehouse Subs under its belt in a deal worth an estimated US\$1 billion. It was only a matter of time before RBI added a new brand, and the deal could prove to be another successful acquisition for the company. Firehouse Subs is a small chain, but it could become huge due to the expertise and experience that RBI's management brings into the equation.

At writing, Restaurant Brands stock is trading for \$71.79 per share, and it is down by 5.48% year to date. The stock could be a bargain for your portfolio at its current levels.

## Foolish takeaway

Suncor Energy stock is up by 44.60% year to date, but it is trading for an over 50% discount from its all-time highs in 2008. Restaurant Brands International stock is down by 5.48% year to date, and it is down by over 30% from its all-time high in 2019.

Both equity securities look like attractive investments at their current levels, but the TSX stocks come with a degree of risk.

It remains to be seen how the situation pans out for the [energy industry](#) amid the rise of a new COVID-19 variant impacting global economies, making Suncor stock a speculative investment to consider. Restaurant Brands International stock could be a relatively safer asset to consider adding to your portfolio due to its recent acquisition.

## CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

## TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:QSR (Restaurant Brands International Inc.)
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