Add $500 to These 2 Undervalued Stocks

Description

At writing, the **S&P/TSX Composite Index** is down by 2.52% from its last all-time high on November 12, 2021, but it has surged upwards the last few days of trading. The market continues to be volatile amid the holiday season, and it might have plenty of investors worried. However, this could be the perfect opportunity for you to scoop up shares of companies trading below their intrinsic values.

Market downturns and volatile conditions like these present plenty of undervalued stocks for a bargain. If you have some cash set aside, and are planning on making your first few stock market investments to commemorate 2022, there are a couple of undervalued stocks that you could consider adding to your portfolio.

Take a closer look at these two TSX stocks to determine whether they could be suitable for your self-directed portfolio.

WELL Health Technologies

WELL Health Technologies Corp. (TSX:WELL) is a tech stock that has played a pivotal role in disrupting the healthcare industry. The advent of COVID-19 brought about a change in the industry through the need for telehealth services. It was a good year for WELL Health stock in 2020. Its share prices climbed by over 500% between its March 2020 low and January 2021.

However, the healthcare sector has been the worst-performing industry as the year winds down. At writing, WELL Health Technologies stock is trading at $4.96 per share, down by a massive 36% year to date. However, its Q3 2021 earnings report showed a massive 771% increase in its revenues compared to the same quarter in 2020. The company has acquired two more companies in recent weeks, and it could be well positioned for a strong year in 2022.

Mogo

Mogo Inc. (TSX:MOGO)(NASDAQ:MOGO) is a prime example of how fintech companies have become increasingly popular in Canada. Mogo stock had a less-than-spectacular year for most of 2020. However, reduced discretionary spending and the realization of the need for more revenue streams amid the pandemic, saw its shares skyrocket.

Between October 30, 2020, and February 19, 2021, Mogo stock share prices climbed by 720% as the fintech industry soared.

Despite accelerated growth in its member base and incredible earnings, Mogo stock has been through a rough time in 2021. At writing, Mogo stock is trading for $4.71 per share, a 57% discount from its all-time high in March 2021. The company's Q3 2021 earnings report saw its subscription and services revenue increase by 126%. Its total revenue increased by almost 60% compared to the same quarter in fiscal 2020.

It could be an excellent opportunity to pick up its shares for a bargain before 2022 because market analysts forecast its share price to climb to $13.50 per share in the next 12 months.

Foolish takeaway

Mogo stock and WELL Health Technologies stock are undervalued TSX stocks at current levels. Considering the long-term prospects for both companies, it could be the perfect time for you to pick up shares in the two companies to enjoy substantial long-term wealth growth.

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2. Stocks for Beginners

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3. TSX:WELL (WELL Health Technologies Corp.)

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