



## 2 Cheap Stocks to Buy Right Now

### Description

The **S&P/TSX Composite Index** has been doing much better lately, as the Canadian benchmark index quickly approaches its previous all-time high set in November 2021. As equity markets regain their momentum and stocks start trading close to record levels again, value-seeking investors might feel like they have missed the opportunity to find high-quality and [undervalued stocks](#) trading for attractive valuations.

However, the TSX still boasts several top-notch names in the market that are trading below their fair values. Today, I will discuss two TSX stocks trading for [attractive valuations](#) today that could make them excellent investments for value investors.

### Shopify

**Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is not a name you would typically expect to hear when someone is talking about undervalued stocks. But the top name in the Canadian tech industry has seen a rough few months of trading on the stock market that have led its share prices down significantly.

Based on traditional valuation measures, Shopify stock does not appear cheap. But the fears of higher rates have caused a selloff that has brought it down by over 35% from its November 2021 high.

At writing, Shopify stock is trading for \$1,389.55 per share. Despite its recent losses, it is up by almost 3,900% from when it began trading on the stock market in 2015. The company's healthy growth prospects and its historical performance indicate that it could be a steal at its current share price.

### Vermilion Energy

**Vermilion Energy** ([TSX:VET](#))([NYSE:VET](#)) is a small-cap energy stock with a \$3.22 billion market capitalization that does not even come close to the size of Shopify stock. Like most of the energy sector, Vermilion stock took a massive hit during 2020, as energy prices spiraled down. The recovery in the oil and gas sector during 2021 painted a different picture for the company.

At writing, Vermilion stock is trading for \$19.80 per share, and it is up by 314% from its March 2020 low. Despite such massive gains, the stock looks heavily discounted compared to its industry peers. A sustained rally for the energy sector could see the company resume distributing shareholder dividends and drive its share price higher.

The stock continues to trade for a massive discount from its all-time highs, and it could be well positioned to deliver substantial gains this year.

## Foolish takeaway

Identifying value investing opportunities could become challenging for stock market investors when the equity markets are performing well. With the positive momentum for the S&P/TSX Composite Index going strong right now, it is likely to reach even greater heights than it did last year.

Finding the right investment opportunities before markets soar to new all-time highs could be an excellent way to unlock the potential for [substantial long-term wealth growth](#). If you have been looking for undervalued stocks for this purpose, Shopify stock and Vermilion Energy stock could be excellent investments for you to consider adding to your self-directed portfolio.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. NYSE:VET (Vermilion Energy)
3. TSX:SHOP (Shopify Inc.)
4. TSX:VET (Vermilion Energy Inc.)

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