



3 Top Canadian Value Stocks to Add to Heavily Right Now

Description

If \$100 bills were available to purchase for \$80, probably everyone would have grabbed the opportunity. But, alas, that doesn't happen. However, investors always have the opportunity to search for value stocks.

Now, finding [undervalued stocks](#) really isn't that simple. Many stocks look cheap but, in reality, are what many investors deep "value traps" — that is, stocks that continue lower, perhaps never to recover. These are the sorts of pitfalls that make value investing fun. Indeed, if you can't lose at something, what's the point of playing the game?

However, in searching for top-quality value stocks, searching for companies with excellent fundamentals and a strong track record of growth is important. In my opinion, these three companies have all these attributes.

Top value stocks: Brookfield Asset Management

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is a leading operator and manager of long duration real assets. These assets include private equity, real estate, infrastructure, utilities and renewable energy with profound expertise in surfacing value and sourcing transactions.

Parex has tremendous reach and geographic diversity, with significant holdings in the United States, Canada, Australia, the United Kingdom, India, and Brazil. The scale and size of Brookfield Asset Management enable the company to have fields of experts operating around the world and across numerous industry verticals.

Additionally, Brookfield has a competitive advantage in both the variety of funding sources, and the financial strength to pursue opportunities. This makes Brookfield among the first calls that world-class asset sellers make while seeking to consummate a transaction.

Parex Resources

Parex Resources ([TSX:PXT](#)) is a mid-sized energy company producing approximately 49,000 barrels of oil every day in Colombia. Parex boasts one of the highest operating margins of any mid- to large-sized Canadian energy producer.

This company has managed to grow its production by 58% over the past five years. Moreover, its management team intensely focuses on profitability, such that cash flow per share rose 367% over the past five years, allowing Parex to remain profitable during 2020. That's no small feat.

Parex Resources does not have any debt and possesses \$361 million of cash on its books. This ensures the company continues to be well positioned to continue returning cash to shareholders. Those looking for a long-term investment ought to consider this top value stock right now.

CGI

Finally, we have **CGI** ([TSX:GIB.A](#))([NYSE:GIB](#)). CGI is the biggest IT services firm in Canada. This company provides consulting solutions, business process outsourcing, and systems integration across several verticals, including energy, utilities, government, manufacturing, retailing, banking, and telecommunications.

Parex is accelerating its organic growth. Indeed, this organic growth has funded a decade long streak of steady margin improvement. This was continued after the company showed record operating margins in fiscal 2021, despite tightening labour markets.

CGI is actively integrating and closing small- to mid-sized transactions. The company boasts a long history of making immensely accretive acquisitions. And the company has done this without taking on excessive leverage.

Overall, CGI is among the top value stocks investors should consider right now. Any of these stocks would make a welcome addition to the portfolio of any long-term investors.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:GIB (CGI Group Inc.)
3. TSX:BN (Brookfield)
4. TSX:GIB.A (CGI)
5. TSX:PXT (PAREX RESOURCES INC)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. chrismacdonald
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/09/30

Date Created

2022/01/27

Author

chrismacdonald

default watermark

default watermark