



## Canadian Stocks: 2 Sectors Where You'll Find the Best Value on the TSX Today

### Description

Ever since late 2021, there has been a noticeable difference in the performance of stocks across all the different sectors. As uncertainty has increased, among all of the other variables impacting Canadian stocks, certain sectors offer some of the best stocks to buy for value investors on the **TSX** today.

In times of uncertainty when many stocks are selling off significantly, it can be a bit nerve-racking buying an unloved stock. But as long as you do your research and understand the the operations of the stock you're buying, as well as its long-term potential, then you can take advantage of these companies trading [undervalued](#).

So if you're looking to find the best Canadian value stocks that you can buy on the TSX today, here are two sectors that have been out of favour in recent months.

### Tech stocks offer some of the best value on the TSX today

The tech sector, without a doubt, offers investors some of the best value stocks to buy on the TSX today. And because many of these companies also offer rapid growth potential, buying at these levels could be some of the best investments you can make.

Not every tech stock offers the same amount of value. So you'll still have to do thorough [research](#) to find the best tech stocks to buy for your portfolio.

With that being said, though, tech stocks of all types and sizes offer opportunity. For example, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is one of the largest Canadian stocks on the TSX today, and a top value stock to buy while it's exceptionally cheap.

And given it should continue to be a dominant force in the e-commerce industry and therefore should continue to grow for years, buying at roughly 60% off its 52-week high is an exceptional bargain.

On the flip side of Shopify, the \$100 billion stock is **AcuityAds Holdings** ([TSX:AT](#))([NASDAQ:ATY](#)), a

stock with an enterprise value of just \$125 million.

AcuityAds is not as well-known or as established, so it likely wouldn't trade with the same premiums that Shopify has. Nevertheless, it's one of the best Canadian value stocks you can buy on the TSX today, trading with an EV to EBITDA ratio of just 5.9 times. For comparison, Shopify's EV to EBITDA ratio is more than 100 times.

So there are several high-quality Canadian value stocks you can find in the tech sector today, and because they are so cheap, they are some of the best investments you can make on the TSX.

## Consumer discretionary stocks offer some of the best value in Canada

In addition to tech, many consumer discretionary stocks have been selling off. But just like the tech sector, while plenty of stocks may look like they offer value, it's still important to do your research and understand why they are cheap.

For example, **BRP** ([TSX:DOO](#))([NASDAQ:DOOO](#)) is a manufacturer of power sports vehicles, such as snowmobiles and personal watercraft. Over the last couple of months, it's been selling off. However, it's being impacted by rising inflation and continuous supply chain issues in markets.

So although the stock looks cheap today, it faces some stiffer headwinds than other consumer discretionary stocks highlighting the importance of doing thorough research before making an investment. Because when you learn of these factors impacting the stock, it makes a lot more sense that BRP is out of favour with all the uncertainty investors are facing.

A consumer discretionary stock that does offer value, and that is one of the best Canadian stocks to buy on the TSX today, though, would be a company like **Aritzia** ([TSX:ATZ](#)).

Aritzia, the women's fashion boutique has been a top-performing growth stock for years. It's continued to put up impressive execution, even through the pandemic, which had a negative effect on most of Aritzia's retail peers.

So with the stock having sold off over the past couple of months and with it offering a roughly 33% premium to its average analyst target price, it's one of the top Canadian value stocks in the consumer discretionary sector that you can buy on the TSX today.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NASDAQ:DOOO (BRP Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. OTC:ILLM.F (Illumin)
4. TSX:ATZ (Aritzia Inc.)

5. TSX:DOO (BRP Inc.)
6. TSX:ILLM (AcuityAds)
7. TSX:SHOP (Shopify Inc.)

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