Snap Up These 3 Canadian Stocks Right Now

Description

Despite the uncertain macro and geopolitical environment, there's a buying opportunity in several Canadian stocks for long-term investors. Further, a pullback in several stocks has created a solid entry point. Let's look at Canadian stocks offering good value at current levels and poised well to outperform the benchmark index in the coming years. Here are my top three picks.

Scotiabank

Despite the recovery in **Scotiabank** (TSX:BNS)(NYSE:BNS) stock, it is trading at a discount compared to its historical average and peers. Notably, Scotiabank is trading at a P/BV multiple of 1.4, which is lower than its peers. Moreover, its P/E multiple of 10.1 also compares favourably to peers.

While Scotiabank stock is trading cheap, an uptick in economic activity, rising interest rates, expected increase in loans volume, and focus on efficiency will likely drive Scotiabank's revenue and profit. Moreover, its exposure to high-growth banking markets is positive. Further, its strong credit quality and robust balance sheet augur well for growth.

Scotiabank has been paying dividend for a very long period. Also, it increased it at a CAGR of 6% for more than a decade. Currently, Scotiabank stock offers a well-protected dividend yield of 4.7%. Overall, Scotiabank stock is attractively priced and provides reliable dividend to income investors.

Dye & Durham

Shares of **Dye & Durham** (TSX:DND) have corrected quite a lot from the 52-week high, representing a good buying opportunity at current levels. For context, Dye & Durham stock has lost over 52% of its value this year. This comes on the back of the broader market selloff and reflects the negative impact of its price hike that angered customers.

Thanks to the correction, Dye & Durham stock is trading at an EV/sales multiple of 4.1, which is significantly below the historical average. Meanwhile, it continues to grow its revenue and adjusted

EBITDA at a breakneck pace, reflecting benefits from acquisitions.

Looking ahead, strategic acquisitions, new partnerships, and expansion into high-growth geographies could continue to support its financials and drive its stock price higher. Further, an uptick in economic recovery will support its growth.

WELL Health

Shares of the digital healthcare solutions provider **WELL Health** (TSX:WELL) are must-haves at current levels. WELL Health stock has corrected significantly and is trading at an EV/sales multiple of 2.7, which is highly attractive. Furthermore, WELL Health continues to grow its revenues rapidly and posted positive adjusted EBITDA over the past several quarters.

Despite the easing of restrictions following vaccinations and the decline in COVID cases, WELL Health's omnichannel patient visits have surged significantly. It recently announced that its total omnichannel patient visits increased 62% year over year in Q1. Moreover, it improved by 10% on a quarterly basis. Also, its U.S.-focused virtual patient services business is growing fast and is contributing meaningfully to its growth.

The ongoing strength in its organic revenues, benefits from strategic acquisitions, higher omnichannel patient visits, and extensive outpatient medical clinics indicate that WELL Health is poised to deliver solid revenues in the coming years. Also, the company expects to deliver profitable growth in 2022, which will likely give a significant boost to its stock price.

CATEGORY

1. Investing

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1. NYSE:BNS (The Bank of Nova Scotia)
2. TSX:BNS (Bank Of Nova Scotia)
3. TSX:DND (Dye & Durham Limited)
4. TSX:WELL (WELL Health Technologies Corp.)

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