



## 3 Value Stocks to Buy in This Volatile Environment

### Description

Value investing is a strategy that's adopted by many successful investors, including Warren Buffett. It involves identifying and buying stocks that are trading lower than their intrinsic values. With investors buying stocks at a bargain price, they have a chance to earn superior returns while also enjoying a margin of safety. So, given the current volatile environment, these three [value stocks](#) are ideal buys for long-term investors.

### goeasy

**goeasy** ([TSX:GSY](#)) has been one of the top performers on the **TSX** for the last two decades, with its stock price growing at an impressive compound annual growth rate (CAGR) of 34.2%. The company's revenue and adjusted EPS (earnings per share) increased by 12.8% and 24.9% during this period. Despite delivering solid returns, the company's valuation still looks healthy, with its NTM (next 12 months) [price-to-earnings](#) at 9.1, lower than its historical average.

With economic activities on the rise, loan originations could increase, benefiting goeasy. Meanwhile, the company is expanding its product offerings, strengthening its digital channel, increasing its penetration, and venturing into new markets to drive growth. Company management expects its topline to grow at a CAGR of over 15% from 2022 – 2025. Amid the topline growth, management also hopes to expand its operating margin by 100 basis points annually. So, given its healthy growth prospects and cheaper valuation, I expect goeasy to deliver superior returns in the long run.

## WELL Health Technologies

Telehealthcare services witnessed substantial growth during the pandemic. With an increased penetration of internet services and the launch of new products that facilitate virtual consultation, I expect this momentum to continue. Meanwhile, Fortune Business Insights expects the sector to grow at a CAGR of 32.1% through 2028. So, given the favourable market conditions, I have selected **WELL Health Technologies** ([TSX:WELL](#)) as my second pick.

The company continues to drive its financials at a healthy rate. For the second quarter, the company's management expects its revenue to exceed \$130 million amid solid growth in omnichannel patient visits. These visits increased by 50% compared to the previous year's quarter. Its EBITDA (earnings before interest, tax, depreciation, and amortization), and cash flows could cross \$23 million and \$15 million, respectively. Not to mention, WELL Health has accelerated its acquisitions which could further bolster its financial growth.

Despite this healthy growth, WELL Health currently trades at a cheaper NTM price-to-earnings of 15.9, meaning investors will have to invest \$15.9 in the company to earn \$1. All things considered, I'm bullish on WELL Health.

## Suncor Energy

Oil prices have cooled substantially from March highs amid recession fears and the announcement by OPEC (Organization of the Petroleum Exporting Countries) to increase its production. WTI (West Texas Intermediate) crude currently trades around US\$94/barrel, representing a 28% decline from its March highs. The correction in oil price has dragged down the stock price of **Suncor Energy (TSX:SU)(NYSE:SU)** by 18.6% compared to its 52-week highs. The pullback also dragged down its valuation, with NTM price-to-earnings at 4.3.

Given its long-life, low-decline assets, Suncor Energy would break even if WTI crude trades at around US\$35/barrel. With oil prices trading substantially higher than these levels, I expect the company to deliver solid performance in the coming quarters. Higher production, lower interest expenses, and cost-cutting initiatives could further boost its financials. The company also pays quarterly dividends, with its yield for the next 12 months standing at a handsome 4.3%. With these factors combined, I believe Suncor Energy is an excellent buy in this volatile environment.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

### TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:GSY (goeasy Ltd.)
3. TSX:SU (Suncor Energy Inc.)
4. TSX:WELL (WELL Health Technologies Corp.)

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