



2 Top Canadian Value Stocks Worth Buying Right Now

Description

In this difficult-to-gauge market, investors may be on the fence with respect to putting money to work. After all, this is a market which has seen a clear downtrend develop this year. And with central banks hiking rates to battle inflation, we could be in for a difficult few quarters or years ahead.

That said, those taking a long-term view of investing may look at this year's selloff as a great opportunity to pick up top value stocks trading at even better valuations. Indeed, the number of [undervalued stocks](#) on the market right now is staggering compared to the valuations we saw last year.

For long-term investors, here are two such stocks I think are worth considering right now.

Top value stocks: Alimentation Couche-Tard

Alimentation Couche-Tard ([TSX:ATD](#)) is one relatively high-growth stock that has a rather remarkable long-term chart. While this company's chart is almost exclusively up and to the right, now trading near all-time highs, many investors may not be so keen to throw this company in the value bucket.

That said, trading at around 18 times earnings, Alimentation Couche-Tard is a company that's trading at a similar valuation to the overall market. In other words, this company's growth profile is not receiving any premium from the market.

Personally, I think this represents some mispricing from this otherwise well-positioned stock.

No doubt, Couche-Tard has benefited greatly from a surge in driving demand of late. That said, input costs (namely crude and gasoline prices) have hurt margins to a greater degree than many thought. Despite this, the company's convenience store business has kept pace with expectations, leading investors to look further down the road.

In terms of both organic and merger and acquisitions-related growth, Couche-Tard remains a long-term winner. This is a company I think has impressive growth potential and should be valued higher than

where it is today.

Thus, those seeking a long-term growth-at-a-reasonable-price option may want to take a look at Couche-Tard right now.

Toronto-Dominion Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is among the biggest Canadian banks I remain bullish on from a growth, dividend, and value perspective. This lender provides an array of financial services and products to more than 26 million customers globally via three key business lines: Wholesale Banking, Canadian Retail, and U.S. Retail.

TD Bank is massive, with assets worth around \$1.8 trillion. This lender is among the leading online financial services firms in the world, with over 15 million active mobile and online customers. As the company's technological footprint expands, so too does this company's margin potential. Indeed, from a business model perspective, I think TD is among the best-positioned banks right now.

Investors may note that TD is still in growth mode, acquiring Cohen in an all-stock deal that's expected to close in the first quarter of next year. However, this company is also a dividend machine, with a current dividend yield of more than 4%. For those considering the company's dividend-growth potential, locking in this yield makes a lot of sense right now.

Finally, TD Bank is attractively valued relative to its peers. This lender trades around 11 times earnings. Accordingly, given the company's growth profile, there's a lot to like about this valuation right now. Again, those thinking long-term may want to consider this bank stock trading at one heck of a valuation right now.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:TD (The Toronto-Dominion Bank)
2. TSX:ATD (Alimentation Couche-Tard Inc.)
3. TSX:TD (The Toronto-Dominion Bank)

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Date

2025/09/01

Date Created

2022/08/17

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