



3 Undervalued TSX Stocks You Can Buy at a Screaming Discount

Description

Investors have been able to breathe a sigh of relief recently after what's been an incredibly [volatile](#) year. After a strong push over the past two months, the **S&P/TSX Composite Index** is now nearing positive territory in 2022.

Despite the recent gains, there's still no shortage of uncertainty in the stock market today. Whether it's from rising interest rates or inflation or geopolitical concerns, it's incredibly difficult to predict how the stock market will perform in the short term.

As a long-term investor, I've embraced the volatility this year. Canadians have been presented with rare buying opportunities that may not come along again for years.

I've put together a basket of three top TSX stocks that are all trading at massive discounts right now. All three companies are also very different from one another, providing diversification for anyone interested in owning all three.

If you're a long-term investor with some cash to spare, I'd seriously consider starting positions in these three companies.

goeasy

Canadians haven't had many opportunities over the past decade to invest in **goeasy** ([TSX:GSY](#)) while it's been on sale. The \$2 billion company has quietly been one of the top-performing TSX stocks over the past 10 years. Shares are up nearly 250% over the past five years and over 1,000% going back a decade.

The high-interest-rate environment has taken a short-term hit on the company. As interest rates have spiked, demand for the company's consumer-facing loans has unsurprisingly slowed.

Shares are down close to 50% from all-time highs set in late 2021.

Long-term investors looking to add a well-priced growth stock to their portfolio should have this under-the-radar company on their watch list.

Lightspeed Commerce

Alongside many other high-flying [tech stocks](#), shares of **Lightspeed Commerce** ([TSX:LSPD](#)) have come crashing down in 2022.

The Montreal-headquartered tech company enjoyed monster gains for roughly a year and a half following the COVID-19 market crash. But since late 2021, it's been nothing but downhill for Lightspeed.

Recent stock performance aside, this is still a young company that's loaded with market-beating growth potential. Lightspeed continues to reinvest aggressively back into the business to both grow its product offering and international presence in the commerce space.

Growth investors comfortable with volatility should seriously consider taking advantage of Lightspeed being down 50% this year.

Algonquin Power

The last pick on my list is a slow-growing dividend stock. While it's not the most exciting company to own, if you're going to invest in high-priced growth companies, you'd be wise to own a few shares of a high-yielding utility company like **Algonquin Power** ([TSX:AQN](#)).

The stock is coming off an unusually steep selloff after the market was underwhelmed by the company's most recent quarterly earnings. While revenue growth was positive, net income growth was not, which the company attributed to the high-interest-rate environment.

With interest rates not looking like they'll cool off anytime soon, I wouldn't blame short-term investors for passing on this discounted utility stock. But over the long term, this is a proven company that can offer investors a whole lot.

At today's discounted stock price, the company's dividend yields a whopping 9%. Good luck trying to find another high-quality dividend stock on the TSX with a yield anywhere close to that.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:AQN (Algonquin Power & Utilities Corp.)
2. TSX:GSY (goeasy Ltd.)
3. TSX:LSPD (Lightspeed Commerce)

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