



## The Undervalued TSX Giants That Smart Investors Are Loading Up On

### Description

As the market struggled throughout 2022, and now, as we begin 2023, it can be difficult to look at the value of your portfolio. As TSX stocks are selling off and becoming undervalued, it can be disconcerting for investors to see the value of their stocks erode.

However, in times like these, it's important to remember that investing is a marathon and not a sprint. The market isn't always going to go up. And while that may seem like a drawback of investing, there can be positive outcomes as a result of stocks selling off, such as the chance for investors to increase their positions.

Investing is all about buying low and selling high. So as long as you aren't panicking in these situations and selling your stocks, you can't lock in any losses. Furthermore, if you use the opportunity to grow your portfolio, you have the potential to see the benefits for years to come.

For example, back in 2007 and 2008, when the market tanked, **Alimentation Couche-Tard** ([TSX:ATD](#)) sold off from roughly \$4 a share at the start of 2007 to just \$1.50 a share by late 2008.

However, if you believed in Couche-Tard's growth potential and used the opportunity to buy more, you could have made a fortune, as today, the stock trades at more than \$60 a share. And even if you hadn't bought more but refused to sell as the market was selling off, Couche-Tard is now more than 1,500% higher than where it began the year in 2007.

Therefore, it's essential that investors keep the big picture in perspective and always remember that the best way to put your money to work is to invest for the [long haul](#).

## One of the best TSX stocks to buy while it's undervalued

One of the top TSX stocks to buy that's been undervalued for months now is **Granite REIT** ([TSX:GRT.UN](#)).

As you can see from the chart, Granite has begun to rally off its lows over the last few weeks as smart

investors use the opportunity to buy up the high-quality industrial REIT. However, even after its brief rally, Granite still trades well undervalued and more than 20% off its 52-week high.

Granite is an excellent stock to buy, because it's a high-quality and reliable real estate stock, but it also has tonnes of growth potential over the coming years.

The demand for industrial space such as warehouses continues to outpace supply, leading to significant increases in rent as leases turnover. This has led to 12 consecutive quarters where Granite's year-over-year revenue has increased by at least 10% and, in some cases, nearly 25%.

Furthermore, Granite is well diversified, with operations in Canada, the U.S., and Europe. Plus, on top of the natural growth the industry is experiencing, Granite also has an impressive pipeline of growth opportunities itself.

Therefore, with Granite trading at a price to estimated [net asset value](#) (NAV) of just 0.9 times — well below where it was at the start of last year when it traded for roughly 1.2 times its estimated NAV, it's one of the best undervalued TSX stocks to buy now.

## A top retail stock to buy on the dip

In addition to Granite, another high-quality TSX stock to buy now while it's undervalued is **Aritzia** ([TSX:ATZ](#)). Aritzia is a predominantly women's fashion company that has been growing rapidly for years. But because it sells discretionary goods, and because the economic environment has been weakening for months, shares of Aritzia have sold off.

The market is worried that Aritzia could be impacted as consumption slows down. However, so far, that remains to be seen.

Aritzia's business has been growing rapidly for years, but in today's environment, it's especially attractive as it rapidly expands across the United States. The company has used its impressive e-commerce platform to expand south of the border, and as demand increases in certain regions, it can look at opening a brick-and-mortar location.

This strategy has led Aritzia to more than double its sales in just the last six quarters and also helped the stock to grow its revenue through the pandemic.

Therefore, while this high-potential TSX growth stock remains undervalued, it's one of the best investments to buy now.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)
2. TSX:ATZ (Aritzia Inc.)
3. TSX:GRT.UN (Granite Real Estate Investment Trust)

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