



## 3 Remarkably Cheap Growth Stocks to Buy in February 2023

### Description

Even though the TSX stock market has rallied in 2023, there are still some bargains to buy out there. After the **S&P/TSX Composite Index** has climbed over 7%, investors may need to do some digging to find these gems. If you are looking for a place to start looking, here's a list of three [growth stocks](#) that still look attractive at today's prices.

### Calian Group: A little-known Canadian tech stock trading for a bargain

**Calian Group** ([TSX:CGY](#)) operates an array of businesses that are involved in healthcare, education, specialized technologies (think satcom), and cybersecurity. The majority of its clients are governments or government-supported institutions (like NATO), so this helps provide very stable revenues, even when the economy is shaky.

Since 2019, it has grown revenues and earnings per share by a 19% and 17% respective compound annual growth rate (CAGR). Despite this, its stock has underperformed its earnings-growth rate.

As a result, investors can pick up this quality company up at only 15 times forward earnings. The company has a cash-rich balance sheet, so it can afford to pay a 1.8% [dividend](#) and still fund its growth strategy.

### Alimentation Couche-Tard: A great track record at a fair price

**Alimentation Couche-Tard** ([TSX:ATD](#)) is another quality growth stock trading at an [attractive valuation](#). Couche-Tard is one of the largest operators of convenience stores and gas stations around the world. A market consolidation strategy has helped it compound revenues and earnings per share annually by 10% and 19%, respectively, over the past five years.

Like Calian, its stock returns in that period (15% CAGR) have not yet matched its fundamental growth

profile. Today, you can buy ATD stock for 16 times earnings, which is still below its historic growth rate. ATD is very well known for deploying capital at high rates of return.

Recently, it has been buying back a tonne of its own stock. Since 2017, it has bought back almost 10% of its shares. For a very well-run company that could still grow by a high-teens rate, Couche-Tard is a great growth stock to consider today.

## Brookfield Corp: A large-cap stock with plenty of growth ahead

If you want a large-cap stock that is still quickly growing, **Brookfield Corporation** ([TSX:BN](#)) is an intriguing bet. With a market cap of \$61 billion, Brookfield is leading manager of alternative assets around the globe.

Not only does Brookfield own large stakes in leading infrastructure, renewables, private equity, real estate, and debt franchises, it also helps large institutions manage investments in these sectors as well.

Over the past five years, it has compounded assets under management and distributable earnings per share by 22% and 19%, respectively. It continues to target +15% compounded annual returns for the foreseeable future. For such a large company, that is [an impressive rate of growth](#).

Yet Brookfield Corp. trades for a paltry 12 times forward earnings. Likewise, its stock continues to trade at a significant discount to the sum-of-its parts valuation. This stock has been volatile but hold it for the next 10 years and it should pay off nicely.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)
2. TSX:BN (Brookfield)
3. TSX:CGY (Calian Group Ltd.)

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