



2 of the Best Canadian Value Stocks to Buy in July 2021

Description

The Canadian market is up 15% year to date, but that doesn't mean there aren't any deals to be had by value investors. There's no shortage of top **TSX** stocks that are still trading at [reasonable prices](#) today, considering the market's strong growth this year.

The pandemic has created all kinds of buying opportunities for both short- and long-term investors. Even as we're nearing the country's reopening, many market-leading companies are still trading far below prices prior to early 2020.

It's impossible to predict how the market will perform in the second half of 2021. The country's reopening could lead to this incredible bull run continuing for another six months.

Regardless of how the market performs through the rest of the year, I've got a couple of top [value stocks](#) on my watch list. Both companies are very reasonably priced today and have the potential to deliver market-beating returns to its shareholders over the next decade.

Air Canada

Canada's largest airline, **Air Canada** ([TSX:AC](#)), was one of the most talked-about stocks in 2020. The pandemic caused the stock to lose more than 70% of its value in barely over one month last year. It was an extremely uncertain time for any investors with exposure to the travel industry.

I was initially bearish on Air Canada stock last year after its share price plummeted. Even when it was trading barely over \$10 a share, I wasn't interested in starting a position. My thinking was that the future of air travel was still too uncertain at the time to pick up shares of a major airline.

The market has changed a lot over the past year, and so has my opinion on Air Canada stock. Clearly, there's a healthy demand for domestic air travel, as Canadians across the country have begun taking advantage of loosened travel restrictions.

We also aren't seeing drastic changes in the travel experience, which was my worry 12 months ago. I wasn't sure what the lasting effects of the COVID-19 pandemic would have on air travel. I'd say it's still too early to even know what those lasting effects may be, but we haven't seen any changes yet that

would make me hesitant in starting a position in airline stock.

After bottoming out in late March 2020, Air Canada stock has been on fire. Shares have more than doubled since then and are outpacing the market's returns year to date.

Sun Life

This insurance stock might not be as exciting as Air Canada, but it's hard to ignore while it's trading at these prices.

At a market cap of nearly \$40 billion, **Sun Life** ([TSX:SLF](#))([NYSE:SLF](#)) is the second-largest insurance provider in Canada. Its customer base expands far beyond just Canada, though. Sun Life has a well-established position in North America, but it's the company's growing Asian presence that has me bullish on the stock over the next 10 years.

Excluding the stock's impressive 3.5% [dividend yield](#), Sun Life shareholders have earned just about the same returns as the broader Canadian market over the past five years. But if you look back over the past decade, Sun Life has largely outperformed the **S&P/TSX Composite Index**.

I've got Sun Life on my watch list because of the stability it can provide for an investment portfolio as well as its attractive price right now.

Insurance is one industry that I don't see disappearing anytime soon. It might not be the fastest-growing area of the market, but it's one that I'm comfortable betting will be just as relevant in 10 years' time as it is today.

As far as price goes, Sun Life stock is trading at an attractive forward price-to-earnings ratio below 10 right now. Considering the growth this stock has put up over the past decade and the dividend it pays today, it's trading at a bargain price right now you won't want to pass up.

CATEGORY

1. Investing

POST TAG

1. AC stock
2. air canada
3. air canada stock
4. air travel
5. airline stocks
6. Airlines
7. insurance
8. insurance stocks
9. SLF
10. SLF stock
11. sun life
12. sun life financial
13. sun life stock

14. travel
15. travel stocks
16. undervalued stock
17. undervalued stocks
18. value
19. value investing
20. value stocks

TICKERS GLOBAL

1. TSX:AC (Air Canada)
2. TSX:SLF (Sun Life Financial Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Tags

1. AC stock
2. air canada
3. air canada stock
4. air travel
5. airline stocks
6. Airlines
7. insurance
8. insurance stocks
9. SLF
10. SLF stock
11. sun life
12. sun life financial
13. sun life stock
14. travel
15. travel stocks
16. undervalued stock
17. undervalued stocks
18. value
19. value investing
20. value stocks

default watermark

Date

2025/07/08

Date Created

2021/07/13

Author

ndobroruka

default watermark

default watermark