The 3 Best TSX Stocks to Buy Under $100 Right Now

Description

We might not be out of the woods with COVID-19 just yet, but there's enough reason to believe that 2021 will be a better year than 2020. As vaccines continue to be distributed, Canadians will hopefully begin seeing businesses reopen, as the economy gets back on track.

Even though a pandemic wreaked havoc across the globe for most of 2020, Canadians still witnessed a lot of **TSX** stocks surge to all-time highs last year. Will those TSX stocks continue to stay hot in 2021?

I've put together a list of three top **TSX** stocks that Canadian investors can pick up for less than $100 a share. Share prices may be low, but don't let that trick you into thinking all of these companies are cheap from a valuation perspective.

If you don't have a lot of capital to invest right now but are willing to hold for the long term, these are three great companies to get you started.

TSX Stock #1: Docebo

Not many other TSX stocks had a better year than **Docebo** (TSX:DCBO)(NASDAQ:DCBO) in 2020. Shares of the tech company were up nearly 400%. That's not too bad considering the broader Canadian market was barely positive.

Docebo provides cloud-based training platforms for both in-house and remote workers, which partially explains the monster growth in 2020. The sudden increase in employees working remotely reminded companies of the importance of virtual training platforms.

Shares of Docebo may be less than $100 a share, but it's not a cheap stock. The company trades at a lofty price-to-sales ratio of 40. If you're buying this TSX stock today, you'd better buckle up for a bumpy ride.

TSX Stock #2: Scotiabank

The Canadian banks are some of the top value plays you can find on the TSX right now. After a rough 2020, each of the Big Five is trading at a favourable valuation today.

Scotiabank (TSX:BNS)(NYSE:BNS) might not be a market beater on a yearly basis, but you're not buying this Canadian bank for its growth potential. Scotiabank can provide your portfolio with stability, allowing you to own growth stocks like Docebo. It's also a Dividend Aristocrat that's been paying a dividend to its shareholders for almost two centuries.

At today's share price, Scotiabank's annual dividend of $3.60 per share earns investors a whopping yield of above 5%.

TSX Stock #3: Northland Power

Last on my list of three TSX stocks is a renewable energy company. This sector was one of the top performing in 2020, and I'm expecting that growth to only continue over the next five to 10 years.

If you're looking for just one green energy stock to own, **Northland Power** (TSX:NPI) would be a solid choice. The company is well diversified both geographically and through its product offering. It owns and operates facilities across the globe and provides its customers with access to wind, solar, and hydro energy sources.

In 2020, shares of Northland Power were up an impressive 70% and are nearing a gain of 200% over the past five years.

Even though I'm banking on this TSX stock to be a market beater over the long term, it also pays a very respectable dividend. The green energy company has a dividend yield of 2.4% at today's stock price.

At a forward price-to-earnings ratio of about 30, shares of Northland Power aren't necessarily cheap. But considering the company's historical track record and growth potential, this is one stock that's worth paying a premium for.

Foolish bottom line

Each of the three TSX stocks on this list varies considerably. That's what makes this a perfect basket of companies for anyone looking to start an investment portfolio. The best part is that it won't cost you a fortune to own the entire basket.

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3. TSX:BNS (Bank Of Nova Scotia)
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Date
2025/07/27
Date Created
2021/02/10
Author
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