



## The 3 Best Canadian Stocks to Buy Under \$30

### Description

Regular investment in stocks can help you meet your financial goals and create a significant amount of wealth, even with a smaller dollar amount. We'll focus on three top TSX stocks that you can buy, even with small amounts, as they are trading under \$30 but have the potential to deliver stellar returns in the medium to long term.

### Cineplex

**Cineplex** ([TSX:CGX](#)) stock has jumped over 61% this year on hopes of recovery in demand. Notably, it lost a significant amount of value as the prolonged pandemic-led closure of its theatres and entertainment venues took a toll on its financial performance. Its total revenues dropped about 88% in 2020, while theatre attendance plunged by 95.3%. Cineplex reported a loss per share of \$3.64 compared to earnings of \$0.08 a share in 2019.

2020 was a disastrous year for Cineplex, but I believe better days are ahead for the company. While uncertainty remains over Cineplex's operating capacity, I believe widespread vaccination will pave the way for reopening its theatres and entertainment venues across the country. The company expects to return to normal operating levels in the second quarter of 2021, which is an encouraging sign.

The gradual improvement in demand and lower cost base provides a strong underpinning for growth. Cineplex stock is still down about 55% in one year, which provides an excellent entry point for long-term investors.

### Suncor Energy

Like Cineplex, **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) is also [expected to benefit](#) from the economic recovery and ongoing vaccination. The crude oil prices are trending higher in 2021, providing a strong base for recovery in Suncor stock. Notably, its stock has increased by 24% this year on hopes of recovery in energy demand.

I expect the momentum to sustain, as higher prices and increased production volumes are likely to support Suncor's financial performance and drive its stock higher. Moreover, a lower operating cost

base and a significant reduction in debt augur well for growth.

Suncor is focusing on boosting shareholders' value through increased share buybacks. Further, the expected expansion in the margin is likely to support its future dividend payments. Suncor pays an annual dividend of \$0.84 a share, translating into a yield of 3.2%.

## Algonquin Power & Utilities

Despite operating a low-risk utility business, **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) has [delivered stellar returns](#) over the past decade. Its stock price has appreciated by over 518% in the last 10 years. Furthermore, it has boosted its shareholders' returns through increased dividends. On average, it has hiked its dividend by about 10% annually over the past decade. Further, it has bumped up its annual dividends by 10% for 2021.

Algonquin Power & Utilities expects its rate base to continue to increase at a double-digit rate over the next five years, providing a strong foundation for earnings growth. Further, it projects its adjusted EBITDA to increase by 15% annually through 2025, which is likely to support its cash flows and drive higher dividend payments.

Its low-risk, regulated and contracted business, rate base growth, and opportunistic acquisitions augur well for future growth. Moreover, it offers an annual yield of 4.1%.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
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1. Editor's Choice

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2. NYSE:SU (Suncor Energy Inc.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:CGX (Cineplex Inc.)
5. TSX:SU (Suncor Energy Inc.)

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