



3 Canadian Stocks Under \$10 to Buy Now

Description

Anytime there is a lot of noise and the stock market is making news, there are opportunities for investors. The trick is distinguishing between opportunities that offer small, short-term potential and the major long-term stocks you want to buy now.

There are several opportunities to consider today. You might want to pick up a high-potential [tech stock](#) that's sold off lately. You could also consider businesses in the renewable energy industry, which has a tonne of potential over the long run.

The opportunities may not be as clear as they were a year ago when almost every stock offered an attractive discount. However, they are still there. Here are three of the best Canadian stocks to buy now.

A top Canadian dividend stock to buy now

One of the top stocks to consider today for any investor, especially investors looking for dividend income, is **Freehold Royalties** ([TSX:FRU](#)).

Freehold operates in the energy industry, which explains why the stock is so hot lately. [Energy stocks](#) were some of the last Canadian stocks to recover from the coronavirus pandemic. However, now that the price of oil has recovered and these stocks are rallying, investors are being rewarded.

Freehold owns land which energy producers operate on. This is how the company generates its royalties. So, when the energy industry is doing well, so too should Freehold.

The stock has been undervalued for a while. It even had to trim its dividend to preserve cash over the last year. Recently, though, as the industry has recovered, the stock has already increased its dividend twice, up 100% from what it was back in November.

Today, that dividend yields just under 5%, which only adds to the return potential investors have if they buy this top Canadian stock now.

A top Canadian value stock

Another top Canadian stock you may want to buy now is **Corus Entertainment** ([TSX:CJR.B](#)).

Corus is a media and entertainment company that's offering great value. The Canadian stock was one of the cheapest on the market for the better part of 2020.

That's begun to change recently, though, as Corus has been recovering rapidly. Even at these prices, though, after a major recovery that saw Corus rally by more than 100% from its lows, the stock still offers incredible value for investors today.

Analysts are estimating that Corus will earn roughly \$0.83 in earnings per share for fiscal 2021. That gives Corus a forward price-to-earnings ratio of just 6.9 times.

That's extremely cheap. Plus, Corus also pays a dividend, which yields roughly 4.2%. The stock is clearly [undervalued](#), plus the fact that it's returning cash to shareholders is just an added bonus.

So, if you're looking for a cheap value stock to add to your portfolio, Corus is one of the cheapest Canadian stocks you can buy today.

A high-potential energy stock

Lastly, another high-potential Canadian stock to buy now also happens to be an energy stock: **Peyto Exploration and Development** ([TSX:PEY](#)).

[Natural gas](#) companies are some of the best energy stocks you can buy, in my opinion. Natural gas is a crucial natural resource and a much cleaner fossil fuel than coal or even oil.

That's going to make natural gas key in the coming years. The world will need to rely on natural gas, as it slowly reduces its reliance on dirtier fossil fuels.

Peyto, specifically, is one of the top Canadian natural gas stocks, because it's such a low-cost producer. This is important because it keeps the company profitable much longer than its competitors when the price of natural gas is falling.

However, it also gives the company incredible profit margins when the price of natural gas increases. So, considering you can still buy Peyto for so cheap, and the stock has a tonne of long-term potential, it's easily one of the top Canadian stocks to buy now.

CATEGORY

1. Dividend Stocks
2. Investing

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1. Editor's Choice

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2. TSX:FRU (Freehold Royalties Ltd.)
3. TSX:PEY (Peyto Exploration & Development Corp)

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