



These Are the 3 Top Canadian Stocks to Buy in May 2021

Description

Many stocks on the TSX today continue to trade at or around 52-week highs. But not all of them. As the market continues to rise, however, there will be fewer and fewer opportunities to buy at such reasonable prices.

But don't let today's potential volatility be the reason you're out of the market. Instead, always think long term when it comes to investing. If you want a stock decades from now, then you should be able to handle some short-term volatility in the first few months or even a year.

So, if you're looking for long-term value, here are three stocks to buy on the TSX today in the month of May.

A tech value stock on the TSX today

It's hard to think that there are value stocks on the TSX today in the tech sector. Popular stocks in this sector tend to be new. But that's not the case with **Magna International** ([TSX:MG](#))([NYSE:MGA](#)).

Magna is an ideal long-term hold as a leader in car parts across North America. Its signed on with numerous household car manufacturers, but it's the company's recent joint venture with **LG Electronics** that has investors excited.

The company will now create electronic parts due to the rise in the necessity for electric vehicles (EVs) in particular. The company even committed to carbon neutrality by 2030. This new avenue for revenue growth is incredibly exciting, but Magna stock has been doing well on the TSX today and for years. That comes from solid revenue providing a wide range of products. The company hopes to see sales rise to between \$43 and \$45 billion by 2023. Yet it trades at 2.5 times book value and 0.9 times sales, making it a steal at today's prices.

A rebound gas stock

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) is another top stock on the TSX that looks interesting in May. Suncor stock has already been going through a rebound thanks to the oil and gas sector. However, it's also a well-managed company that continues to have a solid balance sheet. This comes from being the largest fully-integrated oil and gas producer in Canada.

Yet with shares at about half where they should be, Suncor stock is a steal. The company trades at 1.6 times sales and 1.1 times book value, making it a strong value stock. Meanwhile, its net income compound annual growth rate (CAGR) is up 16.7% in the last five years. Suncor stock's acquisitions before the oil and gas cash could mean there is not only a strong rebound for this company, but also a major increase in the company's 3.33% dividend yield for investors.

A stable tech stock

It almost sounds like a oxymoron, but stable [tech stocks](#) do exist. That includes **Kinaxis** ([TSX:KXS](#)), a company that provides supply-chain management to enterprise level companies. These companies include ones like **Ford**, with not more than one taking up more than 5% of its portfolio.

This stock looks prime for a rebound on the TSX today, making it a strong buy for May. The company remained strong and stable through the crash, and continue to show strong levels in its earnings reports. Most recently, it reported year-over-year growth in its revenue, EBITDA margin and net income by 17%, 14%, and 6%, respectively.

With the world becoming more online than ever, it's really only the beginning for Kinaxis. That's despite being on the market for about six years now. In that time, shares have grown 1,102%, as of writing, for a CAGR of 43.5%! So, with a [pullback](#) since all-time highs back in August, now is a great time to buy and hold this stock for decades.

CATEGORY

1. Investing
2. Personal Finance

TICKERS GLOBAL

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2. NYSE:SU (Suncor Energy Inc.)
3. TSX:KXS (Kinaxis Inc.)
4. TSX:MG (Magna International Inc.)
5. TSX:SU (Suncor Energy Inc.)

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