



## 3 Top TSX Stocks to Buy With \$3,000 for May 2021

### Description

The steady growth in the economy, recovery in demand, and widespread vaccination provide a solid base for investment in stocks. The return to normalcy could give a significant boost to corporate earnings and lift stocks higher. Thus, investors looking for top stocks to buy in May 2021 could consider investing \$3,000 in these three Canadian companies.

### Suncor Energy

Shares of **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) have surged 81% in six months, thanks to the reopening of the economy, steady increase in demand, and higher average crude prices. Despite the recent uptrend, I see further upside in Suncor Energy stock as crude oil prices continue to trade above \$60. Further, the improving demand and rebalancing of inventories provide a strong base for growth.

With higher prices and improving demand, Suncor's production volumes could improve. Meanwhile, its integrated energy assets, lower cost base, strong balance sheet, and favourable mix position it well to deliver strong financial performance, which is likely to support the uptrend in its stock.

Notably, Suncor stock still trades at an attractive discount compared to the pre-pandemic levels. Moreover, it continues to boost its shareholders' returns through share buybacks and regular dividend payments.

### goeasy

The economic reopening has given a significant push to **goeasy** ([TSX:GSY](#)) stock, which has surged nearly 51% this year and is up about 275% in one year. The improvement in consumer demand following the easing of lockdown measures and growth in its loan portfolio is driving its top-line and cushioning its bottom line.

Notably, goeasy's revenues and earnings have grown at a solid double-digit rate in the past several years. Looking ahead, goeasy projects double-digit growth in its top-line over the next three years. Improvement in loan originations, cross-selling opportunities, higher penetration of secured loans, and solid credit and payment performance could continue to drive its revenues and earnings at a healthy

pace.

Furthermore, the expansion of its product range, new distribution channels, and increase in loan size could accelerate its growth rate. Also, a large non-prime lending market and its market-leading position augur well for [future growth](#). goeasy is also likely to uninterruptedly increase its quarterly dividends at a robust pace and currently offers a decent yield of 1.8%.

## Cineplex

**Cineplex** ([TSX:CGX](#)) barely made money in 2020 and remains negatively impacted by the pandemic. However, the company's focus on minimizing net cash burn, optimizing liquidity, and gradual reopening of its location-based entertainment (LBE) venues and theatres has helped the company to sequentially reduce losses and survive amid the pandemic.

Notably, Cineplex stock surged nearly 165% in six months on hopes of a revival in consumer demand. I believe the rollout of vaccines and return of normalcy could [significantly boost](#) Cineplex's financials, in turn, its stock. Further, its lower cost base is likely to support its profitability. Cineplex expects its operations to return to normal in the second quarter of 2021 and is upbeat about reopening its LBE venues and theatres.

Despite the solid recovery in its stock, Cineplex is still trading at a considerable discount to the pre-pandemic price levels and is an attractive recovery bet.

### CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks

### TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:CGX (Cineplex Inc.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:SU (Suncor Energy Inc.)

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