



Super Cheap! 3 Under-\$2 TSX Stocks to Buy in May 2021

Description

The ongoing stock market rally has allowed investors to get handsome returns on their investments. As the global economic recovery continues with the gradually subsiding pandemic and vaccine roll-out, the stock market may continue to reach new heights in the coming months.

To gain from the ongoing market rally, you can buy the following three really cheap stocks right now that are currently trading below \$2 per share.

Denison Mines stock

Denison Mines ([TSX:DML](#))(NYSE:DNN) is a Toronto-based uranium mining company. Its stock has gone up by about 64% year to date to \$1.38 per share after posting solid 56% gains in 2020.

Apart from extracting, processing, and selling uranium, Denison Mines also focuses on acquiring, developing, and exploring uranium properties. In the first quarter this year, its revenue fell by 39% sequentially to \$2.5 million. However, analysts expect its revenue trend to improve in the coming quarters — with its 2021 revenue expected to rise by 12% from the previous year.

Denison Mines, in March, [completed](#) a flow-through equity financing worth \$8.0 million. The company plans to use these funds for eligible Canadian exploration activities in 2021 and 2022. It includes the discovery of high-grade uranium mineralization at the K-West target area at the Wheeler River property.

With consistently rising energy consumption, the demand for uranium is likely to soar in the coming years. That's one reason why long-term investors may consider adding the shares of Denison Mines to their portfolios.

CES Energy Solutions stock

CES Energy Solutions ([TSX:CEU](#)) is an energy services and technology firm based in Calgary, Alberta. The company primarily focuses on providing advanced consumable chemical solutions for the

oilfield. Its stock is currently trading at \$1.66 per share with about 30% year-to-date gains.

Its earnings increased by 275% YoY (year over year) to \$0.15 per share in the fourth quarter — crushing analysts' consensus estimates by nearly 600%. CES Energy's total revenue was also 11% more than analysts' expectations during the quarter, while its adjusted net profit margin expanded significantly to 19% from just 3.8% a year ago.

CES Energy Solutions is set to announce its Q1 results on Wednesday — followed by its quarterly earnings conference call on Thursday. A continuation of the ongoing strength in its quarterly financials could help its stock soar further in the coming months. Long-term investors can buy its stock near its medium-term support level, near \$1.55 per share.

Ur-Energy stock

Ur-Energy ([TSX:URE](#)) is another uranium mining firm with its headquarters in Littleton, United States. Its stock is currently trading at \$1.75 per share with about 69% year-to-date gains. Notably, its stock yielded a solid 124% in the last year.

Recently, the company received the necessary regulatory approvals for its Lost Creek and Shirley Basin projects. These two projects are critical for Ur-Energy's financial success, as they are expected to help the company minimize its overall uranium production costs.

While the recent trend in its overall financials hasn't been very impressive, it's likely to improve in the coming years, as Ur-Energy ramps up uranium mining, recovery, and processing activities.

Foolish takeaway

While investing in these cheap stocks may not make you a [millionaire or billionaire](#) overnight, they could help you get handsome returns on your investment in the long term. And the best part is that you can start investing in such cheap stocks with a portfolio of as low as \$500.

CATEGORY

1. Energy Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSEMKT:DNN (Denison Mines Corp.)
2. TSX:CEU (CES Energy Solutions Corp.)
3. TSX:DML (Denison Mines Corp.)
4. TSX:URE (Ur-Energy Inc.)

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