



The 5 Best Under-\$50 Canadian Stocks to Buy Now With \$1,000

Description

Despite the stellar recovery rally, plenty of top Canadian stocks are a screaming buy at the current price levels. Further, these fundamentally strong stocks are trading for less than \$50 a share. If you have \$1,000, consider buying them right now.

Enbridge

The increasing economic activities, sharp recovery in energy demand, and improving mainline throughput volumes are likely to fuel strong growth in **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) stock. Further, it is among the [most reliable dividend stocks](#) to generate a passive income that grows with you. I believe Enbridge's diverse revenue sources, contractual framework, and strength in the core business are likely to drive its financials in the coming years.

Further, higher utilization rate, new customers, rate escalation, strong growth opportunities in the renewable business, and a \$16 billion secured capital program are likely to accelerate its growth rate. It has consistently increased its dividends by a CAGR of 10% for 26 years and offers a stellar yield of 7.3%.

Suncor Energy

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) is likely to gain big from the stellar recovery in crude oil prices and higher energy demand. Notably, the economic reopening and the ongoing vaccination have boosted its stock, which is up about 30% this year.

I see further [upside in Suncor stock](#), reflecting improvement in volumes and pricing. Further, it trades cheaper than its pre-pandemic levels and offers good value. Its integrated assets, higher demand, debt reduction, and reduction in costs are likely to cushion its cash flows and support future dividends and share buybacks.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) offers a solid mix of value, growth, and income. It is trading cheaper than peers on the valuation front. Meanwhile, the recovery in demand and prices of the crude oil and other hydrocarbons which it transports indicate that the company is likely to deliver stellar growth in the coming years. Also, Pembina is a reliable dividend stock that has paid and raised its dividends since 1997 and offers a juicy yield of 6.5%.

I believe higher prices, recovery in volumes, new projects, strong backlogs could drive Pembina's top and bottom line. Meanwhile, its highly contractual business, diverse revenue streams, and expense management indicate that the company could continue to hike its dividends and boost its shareholders' returns in the coming years.

Couche-Tard

Alimentation Couche-Tard (TSX:ATD.B) is a low-risk bet that has consistently delivered strong financial results over the past several years. Its two-pronged growth strategy accelerates its growth and bodes well for future growth. Its revenue, EBITDA, and earnings have consistently grown at a solid double-digit rate, reflecting strength in its base business and its ability to acquire and integrate businesses.

I believe the strength in its internal business and its appetite to grow through acquisitions could drive its financials at a healthy pace support the uptrend in its stock. Meanwhile, its growing scale, coast-to-coast presence, private label products, and solid balance sheet bode well for future growth.

Air Canada

Like Suncor Energy, **Air Canada** ([TSX:AC](#)) is one of my top recovery bets that could deliver stellar returns in the coming years. I expect the acceleration in vaccine distribution and easing of travel measures to boost its financial and operating performance and, in turn, drive its stock higher.

I believe air travel demand could soon return to normal and support Air Canada's revenues and earnings. Meanwhile, Air Canada's focus on diversifying its revenues, lower cost base, and momentum in the air cargo business is an encouraging sign. Air Canada stock is still trading cheap compared to its pre-COVID levels and is an attractive long-term bet.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
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TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)

2. NYSE:PBA (Pembina Pipeline Corporation)
3. NYSE:SU (Suncor Energy Inc.)
4. TSX:AC (Air Canada)
5. TSX:ENB (Enbridge Inc.)
6. TSX:PPL (Pembina Pipeline Corporation)
7. TSX:SU (Suncor Energy Inc.)

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