



## 3 of the Best Cheap TSX Stocks to Buy Under \$30

### Description

The resurgence of the virus, uneven pace of vaccine distribution, and fear of a spike in inflation are driving volatility in the market and keeping investors on edge. However, long-term investors shouldn't worry, as these challenges are transitory. Further, investors could continue to invest in stocks that could recover fast on returning to normalcy.

I have shortlisted three Canadian stocks offering value and are likely to benefit from the economic recovery. Moreover, these top TSX stocks are attractively priced and trading under \$30 right now.

### Suncor Energy

**Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) stock continues to tick upward in 2021, as the reopening of the economy and recovery in demand and pricing provides a solid foundation for outsized growth. Notably, Suncor stock has about 32% this year and increased over 10% in one month. Despite the appreciation in its stock price, Suncor is trading considerably lower than its pre-pandemic levels, indicating [further upside](#). Meanwhile, an improving operating environment strengthens my optimistic outlook.

Looking ahead, I see a significant improvement in Suncor's financial and operating performance. Higher production volumes, increased average prices, and favourable mix are likely to drive its cash flows. Also, its integrated assets and lower cost base are likely to support its growth. The energy giant is focusing on reducing its debt, which augurs well for future growth. Further, it continues to enhance shareholder value through regular dividend payments and share buybacks. I believe investors shouldn't miss out on Suncor stock at current price levels, as the expansion in the economy and higher oil prices provide a long runway for growth.

### Air Canada

Like Suncor Energy, shares of **Air Canada** ([TSX:AC](#)) have also witnessed a strong growth on hopes of a revival in air travel demand amid ongoing vaccination. Air Canada stock increased more than 60% in one year. However, it is still trading a significant discount compared to pre-COVID levels. While I expect the stock remain volatile in the short term, long-term investors could continue accumulating it for stellar gains over time.

The expected increase in the pace of vaccination and easing travel measures are likely to boost Air Canada's financial and operating performance significantly. I expect solid improvement in its revenues and capacity as demand for air travel returns to normal. Meanwhile, its cash burn is likely to go down sequentially. I am also upbeat about its air cargo business and expect the momentum to sustain in the coming quarters. Overall, the airline company offers solid risk/reward scenario at current levels.

## AltaGas

**AltaGas** ([TSX:ALA](#)) stock has witnessed strong growth in the recent past thanks to the continued momentum in its utility business and solid growth in its midstream operations. Notably, AltaGas stock is up about 62% in one year, and I expect the improving energy demand and economic reopening to continue to [support the uptrend](#).

I believe the continued momentum in its regulated utility assets and rate base growth to drive its utility business in the future. Moreover, higher export volumes, new customer additions, and expense management could continue to drive AltaGas's earnings and dividends. The utility company expects its 2021 EBITDA and EPS to grow by 12% and 20%, respectively, and offers a decent yield of 4.2%.

### CATEGORY

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

### TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:AC (Air Canada)
3. TSX:ALA (AltaGas Ltd.)
4. TSX:SU (Suncor Energy Inc.)

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