



3 of the Best Under-\$30 Stocks to Buy Right Now

Description

It is challenging to know how to position your stock investment portfolio, especially when markets are so choppy. Technology and renewable stocks that were major winners in 2020 are no longer making any gains. On the inverse, cyclical and energy stocks that were formerly hated by the market are hitting new highs every day.

I like to battle volatility by owning a good mix of both segments in my portfolio. That way if one sector isn't working, hopefully another is. Over time, this back-and-forth formula adds up for the accumulation of wealth. If you are looking for a good mix of solid [undervalued stocks](#) to own today, here are three that trade for under \$30 per share right now.

A top renewable stock

Algonquin Power ([TSX:AQN](#))([NYSE:AQN](#)) is just an all-around good, staple, dividend-growth stock to own. Today, it trades for around \$18.50 per share and has an attractive 4.5% dividend. Year to date, its stock is down by 11%, but I think that makes it pretty attractive today.

Algonquin operates water, natural gas, and electric utilities across North America, but primarily in the United States. Likewise, it owns a pretty substantial renewable power business. Under the Biden administration, the U.S. has become serious about de-carbonization. Consequently, Algonquin should be a major beneficiary from a broad infrastructure spend. It is already rolling out a \$9.2 billion capital plan that will both widen its rate base and significantly expand its annual earnings and dividend capacity.

This Canadian stock provides investors safety, dividends, and growth. To me, it looks really attractive right now.

A turnaround story in the making

Similar to Algonquin, **AltaGas** ([TSX:ALA](#)) operates a regulated natural gas utility business exclusively

in the United States. However, it also has an integrated midstream and energy export business in Canada. For years, this stock has been in the penalty box because of too much leverage and poor execution.

Yet lately, management has simplified its business model and cleaned up its balance sheet. Its utility provides stable, predictable income and an attractive amount of imbedded growth. Likewise, with energy prices ticking up, AltaGas's midstream business is benefiting from strong demand in Asian markets. Right now, it is enjoying an uptick in processing volumes and pricing margins. This stock trades for around \$24 per share today and pays an attractive 4.1% dividend.

An energy stock with ample upside

A slightly more cyclical stock to own right now is **Suncor** ([TSX:SU](#))([NYSE:SU](#)). It has had a nice recovery in 2021. The stock is up 30% and trading around \$28 per share. Despite this, it has still lagged many of its energy peers. Last year, Suncor had to axe its dividend in half due to the pandemic and I believe the market sees it as a "show-me" story.

Yet with oil prices remaining consistently above US\$60 per barrel, this company is producing a ton of free cash flow. It has an integrated platform that produces, refines, and retails oil/energy products. As the world recovers from the pandemic, it should see a lot of upside from higher production volumes and higher margins from refined products.

Currently, it is utilizing free cash flow to reduce debt and [aggressively buy back stock](#). It pays a decent 3% dividend, so you also get some mid-term reward while it plays out this strategy.

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2. NYSE:SU (Suncor Energy Inc.)
3. TSX:ALA (AltaGas Ltd.)
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Date

2025/07/05

Date Created

2021/05/28

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