



Got \$500? 3 TSX Stocks Below \$30 You Can Buy for June 2021

Description

The TFSA (Tax-Free Savings Account) contribution limit for 2021 stands at \$6,000. This means that on average, Canadians can allocate \$500 each month towards this registered account. As withdrawals from the TFSA are exempt from Canada Revenue Agency taxes, it makes sense to buy and hold stocks in the account, as equities have the potential to generate massive wealth for long-term investors.

While the equity markets are trading near record highs there are a few lower-priced stocks available at attractive valuations right now. We'll take a look at three TSX stocks trading below \$30 that you might want to buy for your TFSA.

Air Canada

The first stock on the list is **Air Canada** ([TSX:AC](#)). One of the top-performing stocks during the pre-COVID-19 era, Air Canada is currently trading 51% below its record high. The ongoing pandemic has decimated the capital-intensive airline industry, as several countries are still grappling with rising infection rates. However, the faster rollout of vaccinations and reopening of global economies by the end of this year should hold Air Canada in good stead.

Air Canada's sales in 2019 stood at \$19.1 billion, and it fell to \$5.83 billion in 2020. In the last four quarters, Air Canada's sales have been even lower at just \$2.84 billion.

Now, analysts tracking the stock expect sales to rise by 8.9% to \$6.35 billion in 2021 and by a stellar 123% to \$14.15 billion in 2022. We can see that it might take more than two years for air travel to return to pre-pandemic levels.

If normalcy returns by end of 2021, investors can expect Air Canada stock to take flight and outperform the broader indexes once again.

Suncor Energy

Another sector that underperformed the indexes amid COVID-19 was the energy sector. Shares of **Suncor** ([TSX:SU](#))([NYSE:SU](#)) are trading 44% below record highs. In the last few weeks, the stock markets have been volatile due to fears of rising inflation rates. However, during periods of high inflation, commodity prices experience an uptick, making oil stocks an attractive investment.

Further, as economies reopen and lockdown restrictions are lowered, energy demand should pick up. Suncor is one of the best energy stocks on the TSX given its integrated operations and diversified base of cash-generating assets.

Integrated oil producers like Suncor have higher control over profit margins, which gives them flexibility during downturns. The energy space should be positively impacted by multiple tailwinds, and Suncor stock also provides a tasty forward yield of 3%.

Analysts covering Suncor have a 12-month average price target of \$33, which is 20% above its current trading price.

Real Matters

The final stock on the list is **Real Matters** ([TSX:REAL](#)), a growth stock that is down 50% from all-time highs. In the first quarter of fiscal 2021 that ended in December, Real Matter sales rose 15.9% year over year, while adjusted earnings were up almost 40%. In Q2, sales were up 17.5% but net income fell 37.4%. However, adjusted [net income was up](#) over 10% year over year.

Real Matters provides appraisal as well as title and mortgage closing services in North America and continues to benefit from the real estate boom primarily fueled by a low interest rate environment.

Analysts [expect](#) Real Matters sales to rise by 13.9% to \$185 million in 2021 and by 13.6% to \$210 million in 2022. Given its growth rates, the stock is trading at a reasonable forward price-to-earnings multiple of 7.5. Bay Street also has a 12-month average target price of \$20.4 for Real Matters stock, which is 20% above the current trading price.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:AC (Air Canada)
3. TSX:REAL (Real Matters Inc.)
4. TSX:SU (Suncor Energy Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Tags

1. Editor's Choice

Date

2025/09/11

Date Created

2021/05/31

Author

araghunath

default watermark

default watermark