3 Top Canadian Stocks to Buy Now Under $30

Description

Even though the per-share price of a stock shouldn't be more of a concern to investors than its valuation, sometimes investors *do* focus on the price tag. And if you are one of those investors, and you are determined to invest in some good stocks under the price of $30 per share, there are three that should be on your radar.

A marijuana company

Tilray (TSX:TLRY)(NASDAQ:TLRY) recently became the world's largest company by revenue through its Aphria merger. The Nanaimo-based company now has one of the most significant global footprints, and it's a powerhouse ready to capitalize on the U.S. marijuana legalization.

Currently, the stock is trading at $17.1 per share — well under $30. And even though it's significantly "discounted" from its yearly peak, it's not undervalued in any way.

Like most other marijuana companies in North America, Tilray's potential for explosion is tied to U.S. marijuana legalization. It has the financial resources, the footprint, and the presence to take advantage of the budding market. And if the market across the border is better positioned to succeed against the local black market, many Canadian marijuana producers might divert more resources there.

A powerful growth stock

If you are looking for an overpriced growth monster *still* riding the after-crash momentum, **ECN Capital** (TSX:ECN) might fit the bill. The stock has grown over 200% since the crash and 129% in the last 12 months. The price-to-earnings ratio is through the roof as well, but the company still keeps rising.

The Toronto-based company has over a hundred U.S. financial partners and has managed and advised credit portfolios of over $33 billion. ECN Capital has three fully-owned subsidiaries, two that deal with real estate loans, and the third provides advisory service for credit card portfolios.

The company saw its revenues, gross profit, and even ROE spike in 2020, and the pattern is continuing along in 2021 (albeit at a slower pace). The stock is currently trading at $10 a share, and if it continues to grow for a bit more at its current momentum, the price can go to relatively higher double digits.

An established aristocrat

Transcontinental (TSX:TCL.A) is a printing company that has been growing its payouts for about 19 consecutive years. It's currently trading at $24.3 per share and is very reasonably valued (the price-to-earnings ratio is 13, and the price-to-book ratio is 1.2) right now. It's not a growth stock per se, but fueled by the recovery momentum of the broad market, it has grown about 58% in the last 12 months.

The old aristocrat is offering a decent 3.6% at a very safe payout ratio of 48.1%. The revenues, while still not recovered from pre-pandemic levels, might pick up soon, and a strong earnings result might become the catalyst for the next growth phase of the company.

As Canada's largest printer and one of the largest packaging companies in the world, Transcontinental has a powerful position in the industry. It also has an impressive international presence.

Foolish takeaway

If you are adamant about investing in shares that are currently trading under $30 right now (for both capital appreciation potential and dividends), the three stocks might be a good start. You may see prices fall even further and valuations coming down to a more attractive level if you can wait for a bear market.

CATEGORY

1. Dividend Stocks
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2. TSX:TCL.A (Transcontinental Inc.)
3. TSX:TLRY (Aphria)

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