



The 3 Best Canadian Stocks Under \$30 to Buy Right Now

Description

Canadian stocks continue to rise higher, erasing pandemic-led losses on the back of an improved macro environment and recovery in corporate earnings. Thanks to the continued buying in equities and investors' optimism, most Canadian stocks are trading at record highs and looking expensive. However, it doesn't mean that investors can't find high-growth stocks at a lower price.

With high-growth, cheap stocks in mind, let's dig deeper into three Canadian stocks trading below \$30 and offering good growth.

Suncor Energy

Let's begin with **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)). Stellar growth in crude oil prices and improved energy demand have driven Suncor stock higher. However, Suncor's current price levels reflect a significant discount compared to the pre-pandemic levels, providing investors an opportunity to [gain from the recovery](#) in its price.

I expect the continued improvement in the macroeconomic environment, higher average price realizations, and heightened demand to drive Suncor's financials and, in turn, its stock price. Suncor's integrated assets, higher upstream production, and lower cost base position it well to deliver solid cash flows in the coming quarter. Furthermore, its focus on lowering debt is encouraging. Thanks to the higher cash flows, I expect Suncor to consistently enhance its shareholders' value through share buybacks and regular dividend payments. Suncor is trading under \$30 and offers a yield of 3.5%.

Air Canada

Air Canada ([TSX:AC](#)) stock gained about 44% in one year, as travel restrictions eased and domestic air travel demand increased amid ongoing vaccination. The company's financial performance is also improving, as reflected through the sequential growth in its revenues and capacity. Furthermore, its net cash-burn rate is declining, and booking rates are rising, which is encouraging. Meanwhile, the company is optimistic about its prospects and expects net cash burn to fall further, while bookings are likely to increase.

I believe the normalization of its operations and reopening of the international borders could significantly drive its financials and boost Air Canada's stock. Furthermore, its growing air cargo business, solid liquidity position, and lower cost base could help the company navigate the current crisis easily. Air Canada stock is trading below \$30, a considerable discount to pre-pandemic levels, and offers good growth opportunities for investors willing to hold the stock for medium to long term.

Goodfood Market

Next up are the shares of online grocery-delivery company **Goodfood Market** ([TSX:FOOD](#)). The increased spending on e-commerce platforms and the growing adoption of online grocery-delivery services drove Goodfood Market stock. However, it is still trading cheap and is a [solid long-term investment](#).

I believe the easing of restrictions could lead to a moderation in Goodfood Market's growth rate. However, secular industry trends and demand for online grocery services could remain elevated, providing a multi-year growth opportunity. Goodfood Market's growing scale and robust last-mile delivery capabilities in Canada strengthens my bullish view. Furthermore, the expansion of its online product offerings, targeted marketing, and reduction in delivery time could drive its active subscriber base and, in turn, basket size and order frequency. Its stock has witnessed a healthy correction and is down about 17% this year, making it attractive at current price levels.

CATEGORY

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

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:AC (Air Canada)
3. TSX:FOOD (Goodfood Market)
4. TSX:SU (Suncor Energy Inc.)

PARTNER-FEEDS

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

PP NOTIFY USER

1. kduncombe
2. snahata

Category

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

Tags

1. Editor's Choice

Date

2025/08/24

Date Created

2021/08/17

Author

snahata

default watermark

default watermark