Got $500? 4 Cheap Stocks to Buy Now

Description

Motley Fool investors can still find cheap stocks on the **TSX** today, even as the economic recovery continues. The COVID-19 Delta variant caused Ontario alone to have the highest number of cases in months over the last few days, putting a pause on shares of stocks that should recover quickly when the pandemic comes to an end.

For the somewhat patient investor, now is a great time to invest in these cheap stocks during a pullback, or at least a pause in the action. So let's look at three cheap stocks I would consider buying the TSX today with just $500 to spare.

Let's start *super* cheap

If there's one thing that's not going anywhere, it's storage. Storage has always existed in the past for downsizing, death, divorce, and dislocation. But there's a new revenue stream for companies like **StorageVault Canada** (TSXV:SVI). That stream is small business. As e-commerce thrives, the need to store and ship products for small businesses has exploded, creating stellar revenue streams for StorageVault.

Yet this is one of the cheap stocks I'd buy at just $5.30 as of writing. It's up 32% year to date with a potential average upside of 18.5% for the next year. As sales continue to rise with its major move online and further strategic investments, this is the perfect long-term hold during and after the pandemic.

Pandemic pullback

There has been a pullback in cheap stocks that soared during the pandemic. That includes **WELL Health Technologies** (TSX:WELL) with some Motley Fool investors concerned that healthcare providers will return to pre-pandemic norms. However, telehealth companies like WELL Health stock saved too much time and *money* during the pandemic return to pre-pandemic norms. You can now reach healthcare professionals even in a rural community. There's just no way around it: telehealth isn't going anywhere: it's exploding.

Yet shares are now down almost 10% year to date, creating a solid opportunity on the TSX today to jump on WELL Health stock. WELL Health stock continues to report record revenue, growing through acquisition again and again. So I wouldn't count this one out quite yet.

Retail revolution

Then there's the area that saw a complete downturn during the pandemic and is due for a turnaround. That includes retail companies like **Alimentation Couche-Tard** (TSX:ATD.A)(TSX:ATD.B). When the pandemic is over, that will spell the return to commuter traffic, which will do wonders for its convenience stores and gas bars to boot. That's why it's one of the best cheap stocks out there.

Alimentation continues to buy up companies, most recently Wilson Gas Stops. This revenue increase alone should do wonders for its share price, which is up 21% year to date. And it's the perfect time to buy, with a P/E ratio of just 16.52 as of writing.

Buy a Big Six

While it's on the pricier end, I would still consider the Big Six Banks to be cheap stocks. That's because these bank stocks performed so well during the pandemic, and yet the economic recovery will no doubt further increase shares. **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD) is my top choice, however, for growth opportunities. TD stock never stops creating more revenue streams and options for loan repayments. So TD is likely to be the top grower among the Big Six Banks.

Shares are up 23% year to date, yet it's still a steal with a P/E ratio of 11.11 as of writing. Plus Motley Fool investors can gain a 3.67% dividend yield! Having a Big Six Bank on hand is never a bad idea, and there are some solid options on the TSX today.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. TSX:ATD (Alimentation Couche-Tard Inc.)
3. TSX:SVI (StorageVault Canada Inc.)
4. TSX:TD (The Toronto-Dominion Bank)
5. TSX:WELL (WELL Health Technologies Corp.)

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