



5 Cheap Canadian Stocks to Buy Now!

Description

Motley Fool investors are on the hunt these days for cheap Canadian stocks to buy. But what makes a stock cheap? For me, it means a company's fundamentals are strong, but the share price doesn't reflect the past or future performance of the stock. On the **TSX** today, there are plenty of companies for investors to consider. But these five are my favourites.

Royal Bank

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) recently [smashed analyst estimates](#). The Big Six banks reported 34% growth in net income to \$4.3 billion, with profit at \$3 per share, far above \$2.72 estimates. This quarter also saw a "surge" in deal-making for the bank, as well as mortgages as Canada's largest mortgage lender.

It's clear why Royal Bank remains the largest of the Big Six banks — and why it's one of the Canadian stocks to buy today. Motley Fool investors can still get a deal, even at all-time highs! Shares currently trade at a P/E ratio of 13.6, well within value territory, and a 3.27% dividend yield as of writing.

BMO

While it may not be the largest of the Big Six Banks, the **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) still garnered plenty of attention off strong earnings. It was in line with a bank that has been consistently ahead of its peers, with all operating segments beat estimates. With adjusted EPS at \$3.44, it was well above the consensus of \$2.93.

The recovering economy will only continue to do well for BMO and the other Big Six Banks. Yet again, it remains a steal on the **TSX** today. And that's what makes it one of the Canadian stocks to buy, with a P/E ratio of 14.52, and a dividend yield of 3.29% as of writing. Both of these banks would be perfect for the long-term investor.

Imperial Oil

Commodity companies are coming up with new and often strange ways of getting clean. That now includes **Imperial Oil** ([TSX:IMO](#))(NYSE:IMO), one of Canada's largest oil producers. The energy company announced it would begin processing vegetable oil into renewable diesel. While the project still needs approval, it certainly helps achieve the aim of low-emissions fuels for 2025.

Yet it's one of the Canadian stocks to buy for how cheap its price to book (P/B) ratio is, at just 1.12 as of writing. Meanwhile, you can pick up a 2.98% dividend yield! And what's more, this stock isn't trading at all-time highs. So you may indeed get a boost of 30% to reach 52-week highs.

Dream REIT

Dream Office REIT ([TSX:D.UN](#)) is a strong post-pandemic purchase these days. The company has seen revenue start to rise as companies begin going back into the office. Given that its focus is on downtown Toronto, this could be massive news for investors looking for at least a short-term boost.

Yet again, this is one of the Canadian stocks on the TSX today that Motley Fool investors can buy on the cheap. It remains at a share price trading at a P/E ratio of 12.84. And you can take on a 4.44% dividend yield! What's more, there is another potential upside of 43% to reach pre-pandemic levels.

Aurinia

A vaccine has been created and even has FDA approval, so it's time to start looking at what's the next big therapy. That's exactly what [Big Pharma](#) has been doing while looking at **Aurinia Pharmaceuticals** (TSX:AUP)([NASDAQ:AUPH](#)). The pharmaceutical company has upped the production of its lupus nephritis oral therapy drug. Revenue is already increasing, leading analysts to believe that a major share boost is on the way.

Analysts currently believe the stock has an average potential upside of 120%, as of writing. Meanwhile, shares are still down year to date by 5%, but up 17% in the last month. So now might be a great time for Motley Fool investors to jump on one of these Canadian stocks to buy before a boost!

CATEGORY

1. Investing
2. Top TSX Stocks

TICKERS GLOBAL

1. NASDAQ:AUPH (Aurinia Pharmaceuticals Inc.)
2. NYSE:BMO (Bank of Montreal)
3. NYSE:RY (Royal Bank of Canada)
4. NYSEMKT:IMO (Imperial Oil Limited)
5. TSX:BMO (Bank Of Montreal)
6. TSX:D.UN (Dream Office Real Estate Investment Trust)

7. TSX:IMO (Imperial Oil Limited)
8. TSX:RY (Royal Bank of Canada)

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. alegatewolf
2. arosenberg

Category

1. Investing
2. Top TSX Stocks

Date

2025/08/13

Date Created

2021/08/27

Author

alegatewolf

default watermark

default watermark