3 Cheap Canadian Stocks to Buy Under $30

Description

Despite the ongoing Russia-Ukraine war and concerns over rising inflation, the **S&P/TSX Composite Index** is trading flat this year. The increase in commodity prices appears to have increased investors' confidence, shielding against the fall. However, few companies have witnessed a significant decline from their recent highs, providing an excellent buying opportunity. Meanwhile, the following article will discuss three cheap, under-$30 Canadian stocks that offer healthy growth prospects.

BlackBerry

Amid the negative sentiment towards growth stocks and the announcement of the sales of its non-core patents, **BlackBerry** (TSX:BB)(NYSE:BB) is trading around 65% lower from its 52-week highs. Meanwhile, the company's outlook looks healthy. Rising digitization, e-commerce growth, and adoption of hybrid work culture have increased the spending on cybersecurity, thus expanding the company's addressable market.

Meanwhile, BlackBerry focuses on introducing new innovative products and enhancing its current platforms to increase its market share. With the growing software components in vehicles, the company's IVY (intelligent vehicle data platform) could be a significant growth driver. Currently, it has partnered with many OEMs to deliver data-driven in-vehicle services. Further, the company has design wins with prominent EV players, which could help BlackBerry strengthen its position in the growing EV market.

Given the weakness in growth stocks, I expect the volatility in BlackBerry's stock to continue. However, long-term investors can accumulate the stock to earn superior returns.

Keyera

Keyera (TSX:KEY), a midstream oil and gas company, is my second pick. Since the beginning of 2021, the company has returned over 40%. Despite the surge, the company still trades below its pre-pandemic levels. Its forward price-to-earnings multiple stands at an attractive 17.7. Meanwhile, the rising oil demand and oil prices could drive exploration and production activities, thus driving the demand for the company's services.

After making a capital investment of $438 million in 2021, Keyera expects to invest over $560 million this year, including the KAPS pipeline project. These investments and favourable business environment could drive its financials in the coming quarters. Meanwhile, it also pays a monthly dividend, with its yield currently at a juicy 6.55%. Given its healthy liquidity of $1.3 billion and a healthy payout ratio of 63%, its dividend is safe. Considering all these factors, I believe Keyera could be an excellent addition to your portfolio in this volatile environment.

TransAlta Renewable

My final pick is **TransAlta Renewables** (TSX:RNW), trading over 4% lower for this year. In January, the company announced that its independent engineering assessments indicated replacing all the foundations of 50 wind turbines located at its Kent Hills 1 and 2 wind sites. So, the announcement led to a decline in the company's stock price. However, its long-term growth prospects look healthy, as people and businesses are moving towards clean energy to meet their energy needs.

TransAlta Renewables had recently acquired North Carolina Solar portfolio and Windrise wind facility, which together can increase its power production capacity by 328 megawatts. Given its healthy growth prospects and long-term contracts, the company's management expects its 2022 adjusted EBITDA to increase up to 13% while generating $345 – $385 million free cash flows. So, its growth prospects look healthy. Meanwhile, TransAlta Renewable also pays a monthly dividend, with its forward yield currently at 5.28%.

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1. Investing

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3. TSX:KEY (Keyera Corp.)
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Date
2025/08/18
Date Created
2022/03/04
Author
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