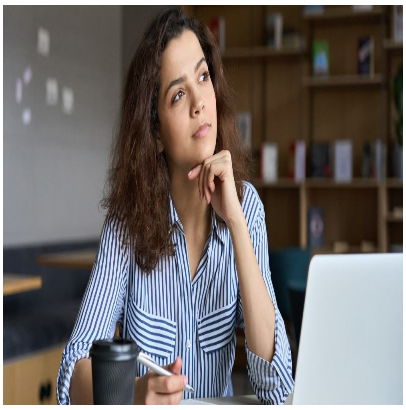

Got $1,000? 3 Value Stocks to Buy Right Now

Description

The Canadian equity markets benefit from rising prices, given their substantial exposure to energy and mining stocks. So, amid the favourable market conditions, the **S&P/TSX Composite Index** is trading 4.1% higher this year and just 0.4% lower than its peak. Despite the surge, a few Canadian stocks are still trading at attractive valuations. Here are my three top picks.

Suncor Energy

Supported by higher oil prices and strong financials, **Suncor Energy** (TSX:SU)(NYSE:SU) has returned over 33% this year, outperforming the broader equity markets. However, I expect the rally to continue. Analysts expect oil prices to trade at higher levels in the near-to-medium term amid the imposition of sanctions on Russian oil and rising demand, thus benefiting Suncor Energy.

Meanwhile, the company's production could increase by 5% this year while also improving its refinery utilization rate. Further, it has planned to invest around $4.7 billion this year to advance projects that could enhance its integrated asset base value. So, higher prices, increased production, lower debt, and share repurchases could drive its financials and stock price in the coming quarters.

Suncor Energy also pays quarterly dividends, with its forward yield currently at 4%. Despite its healthy growth prospects and high dividend yield, the company trades at an attractive forward price-to-earnings multiple of 6.2. So, I believe Suncor Energy would be an excellent buy even when markets are at their peaks.

Enbridge

Second on my list is a dividend aristocrat, **Enbridge** (TSX:ENB)(NYSE:ENB). The energy midstream company has raised its dividends for 27 previous years at a CAGR of over 10%. It earns around 98% of its adjusted EBITDA from regulated assets and long-term contracts, thus consistently delivering stable cash flows and increasing its dividends. Its dividend currently stands at an impressive 5.88%.

With rising energy demand, the throughput of its liquid pipeline segment has increased, driving its financials. After delivering $10 billion of projects into service last year, Enbridge expects to make a capital investment of $3-$4 billion annually for the next three years, which could boost its financials. Meanwhile, the company's valuation looks attractive, with its next 12-month (NTM) price-to-sales and NTM price-to-earnings standing at 2.4 and 18.9, respectively. So, considering all these factors, I am bullish on Enbridge.

Keyera

My final pick would be **Keyera** (TSX:KEY). This year, the energy infrastructure company has returned close to 12.5%, outperforming the broader equity markets. Despite the rise, the company's NTM price-to-sales and NTM price-to-earnings are attractive at 1.3 and 17.8, respectively. With rising oil prices and demand, the exploration and production activities have increased, driving its asset utilization.

After investing $438 million last year, the company plans to invest $560 million this year. Given its near and long-term growth opportunities, the company is well-equipped to boost its cash flows in the coming quarters. Keyera's management expects its adjusted EBITDA to grow at a CAGR of 6%-7% through 2025. So, the company is well-positioned to continue rewarding its shareholders with a high dividend yield. Currently, its forward dividend yield stands at 6.08%. So, given its healthy growth prospects, high dividend yield, and attractive valuation, I expect Keyera to deliver superior returns over the next three years.

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1. Energy Stocks
2. Investing

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