



## 2 Stocks Under \$20 to Buy Right Now

### Description

A rally in the wineries and distilleries industry seems to be in the works. It's not certain whether it has something to do with the discouraging headline news about the U.S.-China trade war. Investors might be looking for an escape as well as a breathing space.

Based on forecasts by analysts, **Andrew Peller Limited** ([TSX:ADW.A](#)) and **Corby Spirit and Wine Limited** ([TSX:CSW.A](#)) are poised for a comeback in the months ahead. These two wine and spirits stocks are hardly ever mentioned this time of the year.

Both are small-cap stocks, but are [big names in wines and spirits](#). However, **Andrew Peller** and **Corby Spirit and Wine** are underperforming so far this year. For them, it's not the season to be jolly.

### Feels like Christmas

**Andrew Peller** was a top-performer a year ago, but slowly fizzled out the rest of 2018. This year, the price has been moving sideways and mostly hovering above \$13.00. On a year-to-date basis, ADW.A is down 2.78%.

To refresh your memory, the company started serving the needs of all wine consumers when Andrew Peller arrived in Canada in 1927. The Hungarian national's vision was to introduce premium quality wines to Canadians. Until now, its sales were concentrated in Canada

The company produces and sells markets personal wine making products through Global Vintners Inc., the world leader in the consumer-made wine industry. They own and operate Vineyards Estate Wines, Aisle 43 and Wine Country Vintners plus independent wine retailers in Ontario.

Andrew Peller's net income has been rising for the last four years. In 2018, income grew 14.3% to \$30 million. For the current quarter, 300% is the expected growth. Analysts are recommending a buy rating as the price is forecast to increase by 31.5% to \$17.50 — not to mention that the stock pays a 1.55% dividend.

## A toast to the industry leader

Corby Spirit and Wine is among the [high dividend payers](#). For an investment of less than \$20 per share, you will be rewarded with a generous 4.77% dividend. The stock is down 1.08% year to date, but analysts see strong upside in the months ahead. Momentum is building that a 44.4% jump to \$26.50 is certainly conceivable.

The company was formed three years ahead of its chief rival. While Andrew Peller is focused on the Canadian market, Corby's wine and other alcohol products are distributed and also sold in the United States, Europe and other international markets. Total spirit sales in Canada make up 21%.

Corby is affiliated with Pernod Ricard S.A., also a global leader in the spirits and wine industry. In Canada, the company owns the 25 top-selling brands. Net income has averaged \$25 million over the last four years.

In the head-to-head comparison of profit margins, Corby's 17.87% is far better than Andrew Peller's 5.29%. All things considered, Corby is the better buy. If the company continues to build scale, above-average gains can be had. Finally, it's revitalizing to consider wine and spirits stocks for a change.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:ADW.A (Andrew Peller Limited)
2. TSX:CSW.A (Corby Spirit and Wine Limited)

### PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

### Category

1. Investing

### Date

2025/08/24

### Date Created

2019/06/02

### Author

cliew

default watermark