



## 3 Small-Cap Stocks That Could Double by Year End

### Description

Small-cap stocks can sometimes beat or outperform large-cap stocks. These stocks are great for short-term or long-term holdings depending on the economic environment.

This summer, **Stingray Group** ([TSX:RAY.A](#)), **Green Organic Dutchman** (TSX:TGOD), and **DHX Media** (TSX:DHX.B)([NASDAQ:DHXM](#)) are the small-cap stocks that could double in value by year-end. Investors can leave room for the stocks in their portfolios and [be rewarded with substantial winnings](#).

### The power of music

Montreal-based Stingray Group is a global provider of business-to-business multi-platform music and in-store music and video solutions to businesses and individuals. Stingray brings [the power of music](#) in various formats to over 400 million subscribers in 156 countries.

The company has had a slow year and reported losses of \$11.9 million as of the fiscal year ended March 31, 2019. For the quarter ending the same month, Stingray posted net income of \$3.9 million. Eric Boyko, president, CEO, and co-founder, said the company is entering a new growth phase.

Coming into fiscal 2020, there will be many opportunities for Stingray to leverage the company's leading position in the music and diversified media industry. Analysts see the company fully exploiting cross-selling and cross-platform synergies. Their price target has been set at \$12 from the current price of \$6.82.

### The organic weed

The lesser-known cannabis company Green Organic Dutchman has the potential of becoming one of the top five Canadian cannabis producers. Investors haven't really paid attention to this weed player due to growing losses. But aren't the larger players piling up losses, too?

Investors should look at the growth potential rather than revenue or losses. TGOD's Valleyfield facility, with more than 1.3 million square feet of grow space, was recently certified. Once completed, TGOD will have the largest organic cannabis facility in the world.

By the end of 2019, the estimated annual production capacity would be 65,000 kilograms and is forecasted to rise by 237% to 219,000 kilograms annually by late 2021. But TGOD is more into premium organic marijuana, which would be the major catalyst moving forward.

Investors can ride on these positive developments and be rewarded huge gains before the stock peaks to \$9 from the current price of \$3.11 in six months. With \$224.4 million in hard cash, TGOD can achieve production targets and pursue international tie-ups.

## Cheap small cap with the strongest upside

DHX Media, the owner of the world's largest independent library of children's content, recently received a merger proposal. The unsolicited offer by Sakthi Global Holdings only confirms that the TV broadcasting company is a viable investment for the long term.

The company's focused strategy on children's content and licensing them across all media platforms brings in the revenue. DHX also derives royalties from the toys based on the well-loved DHX-produced shows. The company has migrated to the digital platform where 85% of the distribution revenues come from digital sources.

Investors would be delighted to purchase DHX at \$1.82 per share today and see their investment grow by 119.8% come December. DHX is one of the cheapest small-cap stocks with a strong upside.

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