



## This Was the Best \$2,000 I Invested This Year

### Description

No one saw the pandemic coming. When it hit, no one could have predicted that the stock market would rebound so sharply. Yet here we are. Fortunately, I made a few bets in February and March that worked out well. The best performer, by far, was a little-known tech stock that seems to have been thrust in the limelight now.

**WELL Health Technologies** ([TSX:WELL](#)) has more than doubled since I [added it to my portfolio in April](#). In total, I invested \$2,000 in the stock. This would turn out to be the best investment I've made all year.

WELL Health stock is up 194% from its bottom in late March. It's up 135% from my blended average cost of investment. In other words, the position has doubled in fewer than four months. Here's my outlook for the company going forward and a few other stocks I believe could have similar potential in the years ahead.

### WELL Health's outlook

Last month, I sold 20% of all my positions. This means I took some profits from my WELL Health bet. Seeing how the stock has performed since then, I must admit I regret this decision. However, I intend to keep the rest of my stake for several years.

At its current market price, WELL Health is worth \$470 million. Meanwhile, the telehealth opportunity is worth over US\$1 trillion. In fact, many of WELL Health's larger American rivals are worth several times more. **Teladoc**, for example, is currently worth a jaw-dropping US\$20 billion (C\$26.8 billion).

I believe WELL Health has the capacity to reach the billion-dollar threshold. That would imply a 112% upside from its current price.

### Emerging multibaggers

WELL Health had all the characteristics of being a multibagger. It was a relatively small and obscure tech company in a remarkably large industry that is ripe for disruption. That's usually a cocktail for

stunning returns.

Similarly, stocks like **Goodfood Market** and **Dye & Durham** are little-known tech companies trying to disrupt mega-industries.

Online grocery and meal kit delivery startup Goodfood has had an incredible run this year. Orders shot through the roof, as people were confined to their homes and grocery chains reduced operating hours. Now, the trend is mainstream.

Goodfood's market value more than doubled this year. However, the stock still trades at just 1.7 times trailing 12-month sales, which is a reasonable valuation for a hyper-growth stock.

Another hyper-growth company, Dye & Durham focuses on legal software. The company's software-as-a-service platform is already deployed by the country's 20 largest legal firms. The stock was recently listed and has already doubled. The runway for growth ahead is as wide as ever.

## Foolish takeaway

When I invested in WELL Health, the massive market potential and the company's relatively small size caught my attention. Now that telehealth investments have become mainstream, the stock has shot up. It's been the best investment I've made this year.

Now I'm focused on emerging tech challengers like Dye & Durham and Goodfood for similar gains (hopefully).

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. TSX:WELL (WELL Health Technologies Corp.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

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