3 Hot Stocks to Buy Under $99

Description

If you are looking for ultra-high growth, here are three hot stocks that you could consider buying. Investors should note that these three stocks have strong growth prospects and have proven their worth with stellar financial performance over the last several years.

Also, you don't need a lot of money to invest in these **TSX** stocks, as they are available under $99.

Dye & Durham

With its revenues and EBITDA growing at a breakneck pace, **Dye & Durham** (TSX:DND) is among the top growth stocks to buy under $99 and hold for decades. Since listing on the TSX on July 17, Dye & Durham stock has more than tripled.

Investors' exuberance on Dye & Durham stock is due to the company's exceptional financial performance and large blue-chip customer base. From FY16 to FY19, Dye & Durham's top line increased at a compound annual growth rate of 71%, driven by new customer addition, growing demand, and accretive acquisitions. During the same period, Dye & Durham's adjusted EBITDA increased at a CAGR of 136%.

The company boasts of more than 25,000 active customers with a low churn rate of only 2%. Since October 2018, Dye & Durham added more than 20,000 new customers and completed seven acquisitions, which is encouraging. Moreover, the company's revenues and EBITDA are growing above the management's guidance range in 2020.

Dye & Durham's high-growth and a high-margin business provide a strong base for a multi-year rally in its stock.

goeasy

The pandemic-driven crash weighed heavily on **goeasy** (TSX:GSY) stock. However, the lender to subprime borrowers has marked a steep recovery (up nearly 204%) since hitting lows in March. The stellar recovery in goeasy stock is due to the company's strong fundamentals and robust financial performance.

goeasy's sales and earnings have uninterruptedly grown over the past several years. Since 2001, goeasy's top line has increased a CAGR of 13.1%, while its normalized or adjusted net income has grown at a CAGR of 30.1%.

In the most recent quarter, goeasy managed to expand its revenues, while its net income increase by about 49%, driven by a sharp reduction in expenses and lower credit losses. The company's asset portfolio remains strong with allowances for future credit losses remaining flat.

A large and underserved market, goeasy's dominant position and plans to expand its geographical base indicate that goeasy stock is likely to generate stellar returns for its investors in the coming years. Also, goeasy has increased its dividends for six years in a row and offers a decent yield of 2.8%.

Docebo

Docebo (TSX:DCBO) is another top growth stock that should be on your radar for creating wealth in the long run. Docebo's strong fundamentals and growing demand for enterprise learning could continue to fuel growth in its stock.

Docebo's revenues have increased at a CAGR of 61% from 2016 to 2019. In the same period, its average contract value increased at a CAGR of 39%, while its customer base rose at a CAGR of 26%.

As companies increase their e-learning spending, Docebo's platform is likely to witness higher utilization rate. Meanwhile, its growing deal size and a higher mix of recurring subscription revenue bode well for future growth.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing
4. Tech Stocks

TICKERS GLOBAL

1. TSX:DCBO (Docebo Inc.)
2. TSX:DND (Dye & Durham Limited)
3. TSX:GSY (goeasy Ltd.)

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