



### 3 Under-\$30 TSX High-Growth Stocks for Young Investors

#### Description

Investing at a young age has multiple advantages. As time is by your side, you can build a strong financial foundation. You can be aggressive and chase higher returns, as the risk appetite is generally at a maximum. The only constraint could be budget.

However, with stocks, you can start investing, even with a minimal amount. In the long run, what matters is the participation in the stock market, as a small but regular investment could help you accumulate a substantial amount of wealth.

Thanks to the power of compounding, a \$300/month investment in a stock offering a modest annual return of 10% can make you a millionaire by the time you retire. Thus, the earlier you start, the more you can make. So, for investors who are young and are planning to start investing, here are three high-growth TSX stocks trading under \$30.

#### Dye & Durham

Shares of **Dye & Durham** ([TSX:DND](#)) listed on the TSX in July 2020 and have skyrocketed since then. While its stock more than quadrupled from its IPO price in September, the temporary closure of the courthouses weighed on its financials and led to a pullback in its stock.

While Dye & Durham's problems are temporary and are likely to abate soon, its fundamentals remain intact and continue to support the rally in its stock. The company's strong blue-chip client base, long-term contracts, and low customer churn rate are likely to drive double-digit growth in its revenues and EBITDA. Moreover, benefits from accretive acquisitions are likely to accelerate its growth further.

With the easing of lockdown measures, Dye & Durham's revenues and adjusted EBITDA marked strong recovery and increased by 29% and 41%, respectively, in the [most recent quarter](#). Meanwhile, the company projects a 64% increase in its top line for Q2, which should drive strong growth in its adjusted EBITDA.

Dye & Durham's strong fundamentals and ability to acquire fast-growing businesses provide a solid foundation for the company to deliver robust growth over time.

## AltaGas

**AltaGas** ([TSX:ALA](#)) stock offers a unique mix of growth and income. The company's regulated business delivers predictable cash flows and supports its dividend payouts. Meanwhile, its midstream operations provide robust growth.

Investors should note that AltaGas generates most of its income from utility assets, implying that economic cycles are unlikely to have much of an impact on its financials, and AltaGas could continue to boost its shareholders' returns through consistent dividend payment.

AltaGas's rate base is projected to increase by 8-10% over the next several years and is likely to support its cash flows. Meanwhile, volumes in its midstream operations are expected to benefit from its Ridley Island Propane Export Terminal and are likely to drive its stock higher in the long run.

While investors could expect strong growth in invested capital in the long run, AltaGas's high dividend yield of 5.3% should further boost returns.

## Kinross Gold

The positive development over the coronavirus vaccine has dragged gold prices down and, in turn, led to a pullback in the shares of the gold mining companies like **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)). However, young investors should use this pullback to [go long on the shares](#) of Kinross Gold for outsized growth.

The company's production is expected to increase over the coming years, while its cost is projected to decline. Increased production and declining cost trends are likely to significantly boost its margins and drive its stock higher.

Kinross Gold also reinstated its dividend, and its stock is available at a good value. Kinross Gold is trading at a forward EV/EBITDA multiple of 3.9, which is well below its three-year historical average and significantly lower than the peer group average.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Metals and Mining Stocks
5. Tech Stocks

### TICKERS GLOBAL

1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:ALA (AltaGas Ltd.)

3. TSX:DND (Dye & Durham Limited)
4. TSX:K (Kinross Gold Corporation)

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### Author

snahata

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