



3 High-Growth TSX Stocks Available at Deep Discount

Description

Amid the encouraging announcements on the vaccine, the high-growth **TSX** stocks, which had witnessed strong growth this year, have experienced some pressure. The shift in investors' focus toward value stocks, steep valuations, and the expectation of a decline in the demand for their services with life and business returning to pre-pandemic ways have led to a fall in their stock prices.

Meanwhile, I believe the long-term growth prospects of these three TSX companies are still intact. The corrections would be a good opportunity for investors with three years horizon to accumulate these stocks for greater returns.

Real Matters

Real Matters ([TSX:REAL](#)), which services mortgage lenders and insurance companies, has been under pressure in recent times due to its weak fourth-quarter performance and a pullback in high-growth stocks. Currently, it trades over 42% discount from its 52-week high.

In the [fourth quarter](#), Real Matters reported an adjusted EPS of \$0.18, missing analysts' expectations of \$0.19 per share. Further, its sales growth slowed down to 36.7% compared to 52.7% in the third quarter. During the quarter, the refinance volumes declined by 9% due to the reduction of addressable market volumes, as an increased number of customers used waivers for refinance transactions amid the pandemic.

Meanwhile, the company has set an optimistic 2025 outlook. The management hopes to expand its purchase market share and refinance market share in the United States Appraisal segment to 7-9% and 17-19%, respectively. Meanwhile, the refinancing market share in the Title segment could increase to 6-8%.

Further, amid the recent pullback, its valuation has fallen to attractive levels. Currently, Real Matters trades at a forward price-to-earnings multiple of 20.1 and a forward enterprise value-to-sales multiple of 2.1.

Kinross Gold

The gold prices have cooled down due to the encouraging data on the vaccine, leading to a healthy correction in gold mining companies, including **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)). Amid the recent decline, Kinross Gold trades at over a 30% discount from its 52-week high of \$13.59.

In its recently announced third quarter, its top-line grew by 29%, driven by higher average realized gold price partially offset by lower production volumes. Meanwhile, its adjusted EPS increased by 212.5% due to higher realized gold prices and a decline in its capital expenditure.

Meanwhile, the company's management has planned to raise its production over the next three years, while its production and capital expenditure could go down. So, given its higher production and lower expenses, I am bullish on Kinross Gold. Besides, the company has announced quarterly dividends of \$0.03 per share. So, its dividend yield currently stands at 1.3%.

Kinaxis

My third pick would be **Kinaxis** ([TSX:KXS](#)), which provides cloud-based software solutions to aid supply chain companies in better decision making. Amid the globalization and growth in e-commerce, the demand for the company's services has increased, driving its financials and stock price.

The company's top-line increased by 17% in its third quarter, driven by growth in its SaaS and professional services segment.

However, its adjusted EBITDA margin contracted from 26% to 18% due to its recent acquisitions and business investments. Meanwhile, the company's management hiked its sales guidance for fiscal 2020.

Amid the structural shift toward online shopping, e-commerce sales are expanding, which could benefit Kinaxis. Further, the company has acquired Rubikloud, which provides artificial intelligence-based solutions to CPG companies. It is also focusing on developing innovative products to expand its customer base. So, the company's growth prospects look healthy.

Amid the recent pullback, Kinaxis is trading 17.5% lower to its 52-week high, which provides [an excellent buying opportunity for long-term investors](#).

CATEGORY

1. Investing
2. Metals and Mining Stocks
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:K (Kinross Gold Corporation)
3. TSX:KXS (Kinaxis Inc.)
4. TSX:REAL (Real Matters Inc.)

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