



The 2 Best TSX Stocks I'd Buy With \$50 for 2021

Description

As 2020 nears an end, let's look over high growth opportunities for 2021 that could make you rich. Earlier, I suggested two best stocks that I'd [buy for \\$100](#). However, here we'll zero in on two stocks that you can buy for only \$50.

These under \$50 stocks have a strong business model and are witnessing high demand for their products and offerings, which could continue to support the uptrend in their share prices.

Dye & Durham

Dye & Durham ([TSX:DND](#)) stock has generated exceptional returns ever since it was listed on the TSX in July. Thanks to its robust sales and adjusted EBITDA, it has grown over six times from its IPO price in the last six months.

Besides, its ability to expand through accretive acquisitions, a strong client base, and a large addressable market provides a solid base for growth in the coming years.

Dye & Durham has over 25,000 active customers, including legal professionals, government organizations, and financial institutions. Meanwhile, its churn rate remains low at 2%. While its financials benefit from the continued strength in the base business, acquisitions bolster its growth further by opening new avenues for growth.

Dye & Durham has completed multiple acquisitions in the past couple of years that are driving high double-digit growth in its top-line and adjusted EBITDA. Recently the company acquired DoProcess and raised its revenue [outlook](#) for Q2.

In a press release, Dye & Durham announced that "the expected improvement is primarily due to the Company's integration plans and realization of synergies being ahead of schedule for the recent acquisitions of Property Information Exchange (pie) and Stanley Davis Group acquisition."

Investors should note that Dye & Durham's strong cash flow growth and debt capacity indicate that it could continue to pursue accretive growth opportunities in the coming years, which is likely to enhance its financial and operating performance.

Goodfood Market

Goodfood Market ([TSX:FOOD](#)) is another high growth under \$50 stock that should be on your radar for 2021. The Canadian online grocery company benefits from rising demand and an increased active client base.

Notably, Goodfood Market delivered positive EBITDA and net income for two consecutive quarters, thanks to the jump in its active customer base and margin expansion.

The structural shift from traditional grocery shopping towards online has created a multi-year growth opportunity for Goodfood Market. Meanwhile, its brand affinity, best-in-class logistics, and extensive footprint position it well to deliver strong growth over the next several years.

Goodfood Market's active customer base stood at 306,000 in the first quarter of fiscal 2021, representing year-over-year growth of 33%. The targeted marketing, same-day delivery capabilities, and expanded grocery basket are likely to drive its customer base in 2021 and support the uptrend in its stock. Besides, favorable industry trends could act as a key growth catalyst for Goodfood Market.

Bottom line

Shares of both these companies have skyrocketed this year, and a pullback could be an excellent opportunity to become constructive. However, investors with a longer-term investment horizon could consider buying these under \$50 stocks at the current levels for outsized returns.

CATEGORY

1. Coronavirus
2. Tech Stocks

TICKERS GLOBAL

1. TSX:DND (Dye & Durham Limited)
2. TSX:FOOD (Goodfood Market)

PARTNER-FEEDS

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