



3 Great Canadian Stocks Under \$20 a Share

Description

The advantage of buying a high-quality stock at a lower dollar amount is that you can accumulate more shares, which could multiply your returns over the years. We'll focus on three such top Canadian stocks that you can buy under \$20 a share to handily outperform the broader markets in the coming years.

Real Matters

The reduction in interest rates following the outbreak of the COVID-19 pandemic gave a massive boost to **Real Matters** ([TSX:REAL](#)) stock. The lower mortgage interest rates have led to a sudden surge in refinancing activities in the U.S. and significantly boosted Real Matters's revenues and profitability.

Real Matters's consolidated net revenues increased by 59% in FY20. Meanwhile, its adjusted net earnings soared 136%. Thanks to its strong financial performance, Real Matters stock is up about 58% this year. However, investors should note that it has witnessed a significant pullback in the past three months and presents an excellent entry point for long-term investors.

I believe the low interest rates will persist for an extended period, thus providing a strong underpinning for growth. Meanwhile, its strong customer base, expected expansion in underwriting capacity, and strong refinancing volumes could continue to boost its financials and, in turn, its stock.

Kinross Gold

I see three strong reasons to buy **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) stock right now. The uncertain economic trajectory for 2021, its growing production and declining costs trend, and low valuation make it a top stock to own under \$20.

Investors fear that the recent run-up in equities, despite weak economic data, could drag stock markets down in 2021. The uncertain economic environment could push the demand higher for the shiny yellow metal and support the [uptrend in Kinross Gold](#) stock.

The company projects a 20% jump in production over the next three years. Moreover, it expects costs to go down during the same period, thus supporting its margins and cash flows. Also, its stock has corrected in the recent past and is trading at a lower valuation than peers. Moreover, Kinross Gold has reinstated its dividend payments and offers a decent yield of 1.7%.

Goodfood Market

Goodfood Market ([TSX:FOOD](#)) is among the [top-performing stocks](#) listed on the TSX. It has jumped over 382% in three years. Meanwhile, it's up about 239% in 2020. The stellar returns of Goodfood Market are backed by growing demand for online grocery services.

The online grocery industry is growing fast, reflecting increased adoption among consumers. Meanwhile, the demand is likely to sustain in the coming years, which could continue to support its financials. Goodfood Market's active customer base stands at 306,000, which indicates a year-on-year growth of about 33%.

With strong secular tailwinds, its extensive footprint, robust last-mile delivery capabilities, and growing scale, Goodfood Market is likely to continue to deliver strong returns in the coming years.

Bottom line

These fundamentally strong Canadian stocks don't require large upfront investments. A small investment in these three stocks every month could help you to generate a significant amount of wealth in the long term.

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:FOOD (Goodfood Market)
3. TSX:K (Kinross Gold Corporation)
4. TSX:REAL (Real Matters Inc.)

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