The 3 Best Canadian Stocks Under $50 to Buy Right Now

Description

Looking for stocks that are trading for less than $50? Consider buying the shares of **Goodfood Market** (TSX:FOOD), **Algonquin Power & Utilities** (TSX:AQN)(NYSE:AQN), and **Dye & Durham** (TSX:DND). These companies have delivered stellar returns and have the potential to generate a significant amount of wealth for investors in the long term.

Secular trends to support Goodfood Market stock

Goodfood Market has delivered exceptional returns over the past several years, thanks to the increased demand for online grocery services. I believe the consumer demand for online grocery services is likely to remain high and grow over the next several years, providing a strong growth opportunity for Goodfood Market.

Goodfood Market is expanding its delivery fulfillment capacity, which bodes well for growth. Meanwhile, its robust last-mile shipping capabilities continues to expand its market share. The company's active subscriber base has increased at a high double-digit rate and reached over 306,000. Furthermore, it has expanded its product offerings and rolled out same-day delivery services, which is likely to drive its customer base, order frequency, and top line.

Investors should note that Goodfood Market's focus on optimizing its footprints and growing online grocery demand provides a strong base for growth.

Continued rate base growth to drive Algonquin Power & Utilities

Algonquin Power & Utilities has consistently delivered strong returns for its investors. While its shares price appreciated in value, the company boosted its shareholders' returns through higher dividend payments. Algonquin Power & Utilities stock has increased by over 634% in the past 10 years. Moreover, the company raised its dividend at a CAGR (compound annual growth rate) of 10% during the same period.

Investors should note that Algonquin Power & Utilities expects its rate base to increase at a CAGR of about 11% over the next five years, which is likely to drive its earnings and dividend payments and support the uptrend in its stock.

The company expects its adjusted EBITDA to grow at a CAGR of 15% through 2025. Meanwhile, its bottom line is projected to increase at a CAGR of 8-10% during the same period. Algonquin Power & Utilities's 85% of the output is contracted. Moreover, these contracts have an average weighted life of 13 years.

The company's continued investment in rate base and predictable cash flows are likely to support its growth and drive dividends over the next decade.

Acquisitions to bolster Dye & Durham's growth

Dye & Durham remains well positioned to deliver outsized growth, thanks to its appetite for acquisitions and continued momentum in the base business. The company acquired 19 businesses since 2013, which accelerated the pace of its revenue and EBITDA growth. Meanwhile, it announced three acquisitions over the past couple of months.

Besides acquisitions, its diverse and large customer base, geographic expansion, and low churn rate further support its financials and drive its stock higher.

The reopening of the economy and its recent acquisitions are likely to fuel strong double-digit growth in its revenues and adjusted EBITDA. The company's high-growth and high-margin business and continued customer additions provide a strong underpinning for multi-year growth.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:DND (Dye & Durham Limited)
4. TSX:FOOD (Goodfood Market)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

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

Date
2025/07/03
Date Created
2021/01/25
Author
snahata