



5 Best TSX Stocks to Buy Under \$100 for Strong Returns

Description

Despite the stretched valuations, equities could play out well and deliver stellar returns in 2021 on the back of the recovery in demand, the structural shift towards e-commerce platforms, and an uptick in economic activities. Here are the five best **TSX** stocks that are likely to deliver stellar returns in 2021 and beyond. Moreover, these stocks are trading under \$100.

Absolute Software

Absolute Software ([TSX:ABST](#))([NASDAQ:ABST](#)) has significantly outperformed the benchmark index and is up about 96% in one year. Besides, it has surged nearly 220% in three years. The appreciation in its stock price is supported through its high-growth and resilient business that generates strong recurring revenues and EBITDA.

I believe Absolute Software stock could continue to trend higher in 2021, reflecting increased spending on cybersecurity and a large addressable market. Its revenues are projected to increase by 12-14% in 2021. Further, its adjusted EBITDA is likely to grow at a double-digit rate. Its strong annual recurring revenue growth, new customer additions, momentum in international business, robust product pipeline presents a strong underpinning for growth. Meanwhile, its debt-free balance sheet, geographic expansion, and lower direct competitive activity augur well for growth.

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) stock delivered robust returns in 2020, and the rally in its stock is likely to sustain, thanks to the structural shift toward the omnichannel platform. As the small and medium-sized businesses continue to adopt multi-channel payment platform, the demand for its digital products and services are likely to remain elevated.

Apart from favorable industry trends, its recent acquisitions are expected to further accelerate its growth and drive its customer base, in turn, its revenues. I believe secular industry tailwinds, Lightspeed's growing customer base, accretive acquisitions, geographic expansion, and up-selling are likely to drive its stock higher.

Dye & Durham

Shares of **Dye & Durham** ([TSX:DND](#)) delivered outsized growth last year. Moreover, the rally is [likely to sustain](#) in 2021, thanks to its accretive acquisitions and continued strength in its base business.

Reopening of courthouses and increase in economic activities are likely to drive demand for Dye & Durham's revenues and adjusted EBITDA in 2021. Meanwhile, its recent acquisitions are expected to bolster its growth further and support the uptrend in its stock. Its large blue-chip customer base, geographic expansion, and opportunistic acquisitions position it well to deliver strong double-digit growth in its top-line and adjusted EBITDA.

Suncor Energy

Higher oil prices and recovery in demand are likely to provide a base for growth for **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) stock. Its stock has increased by about 21% in three months, and I believe the uptrend in its stock could continue as increased economic activity and vaccination could drive crude prices higher.

Besides, Suncor Energy's lower cost base, integrated business model, and long-life assets are likely to support the recovery in its stock. Suncor stock is still down about 39% in one year, presenting a good buying opportunity for investors with a long-term outlook.

WELL Health

Last on my list is the shares of **WELL Health Technologies** ([TSX:WELL](#)). Well Health stock surged significantly in the past six months, and the rally in its stock [could continue](#), thanks to the increased demand for omnichannel healthcare services.

Besides, its aggressive acquisitions augur well for future growth by driving its market share and accelerating its revenue growth rate. The company is rapidly expanding by acquiring clinical and digital healthcare assets that are likely to drive strong growth in its revenues and support the uptrend in its stock.

CATEGORY

1. Coronavirus
2. Energy Stocks
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:ABST (Absolute Software)
4. TSX:DND (Dye & Durham Limited)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:SU (Suncor Energy Inc.)
7. TSX:WELL (WELL Health Technologies Corp.)

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Author

snahata

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