



4 High-Growth TSX Stocks to Buy Under \$20

Description

Investing in equity markets doesn't always require huge capital upfront. Even with small regular investments, one can create significant wealth in the long term. If your investment is on the lower side, here are the four Canadian stocks with high-growth potential that are currently trading under \$20.

Aurora Cannabis

Amid the recent pullback in cannabis stocks due to speculative trading fears, **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) has corrected over 49% from its recent highs. This pullback provides an excellent buying opportunity, given the sector's high-growth prospects and the company's growth initiatives.

Aurora Cannabis has acquired a significant market share in both the Canadian and international medical cannabis markets. It is focusing on expanding its medical cannabis operations in Israel, France, and Australia. Further, the company's CBD brand, Reliva, has been a hit in the U.S., with Nielsen ranking it as the top CBD product in the United States. The company hopes that its CBD experience would help in expanding its THC business once the federal government legalizes cannabis.

Amid the recent pullback, its valuation also looks attractive, with its price-to-book multiple standing at 1.2. So, [I believe Aurora Cannabis is an excellent buy right now.](#)

WELL Health

After delivering over 415% returns last year, **WELL Health Technologies** ([TSX:WELL](#)) is up 9.3% this year. The increased demand for its services amid the pandemic and aggressive expansion has led its stock price to rise. After acquiring a significant share in Circle Medical in November, the company continues to expand its operations in the U.S. by signing an agreement to [acquire CRH Medical for US\\$292.7 million.](#)

Telehealthcare service allows patients to receive medical care anywhere, anytime, in a cost-efficient

way. So, the demand for its services could sustain, benefiting WELL Health. Further, the company is also expanding its EMR business through acquisitions. It currently services around 2,200 clinics, covering around 10,700 physicians. So, the company's growth prospects look healthy.

Goodfood Market

Amid the pandemic, more people are adopting online shopping. This secular shift has created a long-term growth potential for **Goodfood Market** ([TSX:FOOD](#)). In its recently reported first-quarter earnings, the online grocery company had reported a year-over-year sales growth of 62%, while its adjusted EBITDA margin expanded 8%. The company's subscriber base has grown by 33% to 306,000 as of November 30.

Meanwhile, Goodfood Markets is introducing newer options, such as same-day delivery, expanding its product offerings, and entering new markets to capitalize on the secular shift towards online shopping. Since the beginning of 2020, the company has delivered over 285% returns. Despite the surge, its valuation still looks attractive, with its forward price-to-sales multiple standing at 1.9.

Absolute Software

Over the last three years, **Absolute Software** ([TSX:ABST](#)) ([NASDAQ:ABST](#)) has delivered impressive returns of over 180% at a CAGR of 41.3%. The company specializes in endpoint security and data risk management and has over 13,000 customers worldwide. It also secures 11.5 million endpoints.

Amid the pandemic, people worked from their homes. However, this shift could continue even in the post-pandemic world. Gartner's survey revealed that 82% of employees could work remotely at least part-time, even after the pandemic. This shift would increase spending on endpoint security, which would benefit Absolute Software.

Meanwhile, the company had reported an impressive second-quarter performance earlier this month. Further, the company's management had also raised its guidance for fiscal 2021. So, given the favourable environment and its recent strong performance, I am bullish on Absolute Software.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Tech Stocks

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1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. TSX:ABST (Absolute Software)
3. TSX:ACB (Aurora Cannabis)
4. TSX:FOOD (Goodfood Market)

5. TSX:WELL (WELL Health Technologies Corp.)

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