3 Top Canadian Stocks Under $20 to Buy Today

Description

Despite a stellar run in top TSX stocks, there are plenty of shares that are reasonably priced and offer good growth. I have chosen three such great Canadian companies that are trading for less than $20 and have a long runway for growth.

Goodfood Market

Goodfood Market (TSX:FOOD) stock is an ideal long-term bet to outperform the broader markets. The company is benefiting from the growing demand for online grocery services, and I expect the momentum to sustain, thanks to the strong secular industry trends.

Notably, Goodfood Market's top line is growing at a breakneck pace. It registered a year-on-year growth of 71% during the last reported quarter. Meanwhile, the company reported positive EBITDA and marked 30% growth in its active customer base.

I believe Goodfood Market's robust delivery capabilities, investments to expand its footprint, and growing active subscriber base position it well to deliver superior revenue and margins. Further, expansion of product range, reduction in delivery time, targeted marketing, and lower unit costs bode well for future growth. Also, Goodfood Market stock has corrected over 36% this year, providing a solid opportunity to go long.

Well Health

WELL Health Technologies (TSX:WELL) stock has skyrocketed in one year, reflecting stellar financial performance and benefits from recent acquisitions. The company delivered 53% growth in its top line in 2020. Meanwhile, it posted a positive adjusted EBITDA.

I see further room for growth on the back of stellar momentum in its in-person and digital channels. Moreover, WELL health's ability to acquire and integrate businesses is likely to accelerate its growth rate and drive its stock higher. It expects all its business units to deliver healthy organic growth in 2021. Furthermore, its focus on digitizing clinical assets and optimizing costs is likely to drive its adjusted EBITDA and operating cash flows.

WELL Health's Canadian operations are witnessing improvement, and management expects to see strong sequential improvement. Meanwhile, its growing scale, robust digital assets, and solid acquisition pipeline suggest that WELL Health could continue to deliver stellar organic and inorganic growth in the coming years. Further, its market share could continue to increase at a healthy pace.

Cineplex

The negative impact of the COVID-19 pandemic continues to weigh heavily on **Cineplex** (TSX:CGX) stock. Its revenues and theatre attendance plunged by 85.4% and 96.1%, respectively, during the last reported quarter. Despite the near-term challenges, I am bullish on its long-term prospects.

Cineplex's strategic initiatives, focus on managing costs and minimizing net cash burn, and optimization of liquidity is likely to help the company to navigate through the near-term challenges. Moreover, the company remains well positioned to capitalize on the pent-up demand once its operations return to normal.

I believe widespread vaccination and return of normalcy could significantly boost its financials and, in turn, its stock. The reopening of its theatres and location-based entertainment venues is likely to drive its revenues and margins. Notably, Cineplex stock is trading cheap and reflects a discount of more than 63% from the pre-pandemic levels. I see the steep discount in its stock as an excellent opportunity to buy Cineplex stock for the long term.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSX:CGX (Cineplex Inc.)
2. TSX:FOOD (Goodfood Market)
3. TSX:WELL (WELL Health Technologies Corp.)

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