2 of the Best Canadian Stocks Under $7 You Can Buy

Description

The hottest stocks make all the headlines, especially in a time when markets are operating at or near all-time highs. However, all the high-priced companies make costly investments that may not provide the same returns to investors who buy at a higher price than they did for early investors.

If you seek stellar long-term returns, it might serve you better to seek undervalued companies that are trading for a massive discount that you can pick up in bulk. The more shares you own of an undervalued stock, the greater your profits can be in the long run, provided the stock becomes huge in the future.

It is impossible to guarantee which stock can offer outstanding long-term returns. However, you can find companies that have the potential to fulfill this purpose. I will discuss a few such stocks trading for under $7 per share that should be on your radar right now.

Rogers Sugar

Rogers Sugar (TSX:RSI) is probably one of the most boring companies you could consider adding to your investment portfolio. It is a holding company made up of Lantic and Rogers with a long history. Established in 1888, Rogers Sugar has become the most significant sugar distributor in the country. The company also held the rank of top maple syrup producer worldwide last year.

The company's merger with Lantic allows Rogers Sugar to sell a broader product range. At writing, Rogers Sugar is trading for $5.65 per share, and it boasts a juicy 6.37% dividend yield, with a 7.8% CAGR for the last 10 years. The stock is an ideal stock to consider adding to your portfolio for its juicy dividend income.

Sangoma Technologies

Sangoma Technologies (TSXV:STC) is an ideal Canadian stock under $7 if you are looking for an asset that offers you consistent growth. The stock is trading for $3.67 per share, but it does not offer its shareholders any dividend payouts. Income-seeking investors might not find that an attractive quality about Sangoma Technologies, but growth-seeking investors should not mind the lack of payouts.

Sangoma is quickly becoming a leading company in unified communications-as-a-service solutions. It offers a comprehensive suite of omnichannel communications services for small- and medium-sized businesses. Most small businesses do not prefer having several contracts for networks and communications platforms. It means that Sangoma has found an excellent niche to capitalize on and grow.

Sangoma caters to some big-name businesses like **Dominos** and **Spotify**, making it an excellent asset to consider adding to your portfolio for stellar long-term gains.

Foolish takeaway

It is possible to find all types of stocks trading on the TSX, even at such low prices. You can find dividend-paying stocks that offer generous payouts, steady growth stocks, and rapid growth stocks.

Depending on your investment capital and risk tolerance, you can add any of these two stocks to your portfolio to realize your investment goals.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:RSI (Rogers Sugar Inc.)
2. TSX:STC (Sangoma Technologies Corporation)

PARTNER-FEEDS

1. Business Insider
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