



4 Top TSX Stocks Under \$10 to Buy Now

Description

Many beginner Canadian investors with limited amounts of capital are hungry for low-cost TSX stocks under \$10. It is important to remember, though, that a low share price doesn't mean as much as most may think.

Stocks with single-digit share prices tend to be small or mid-caps, with more [room to run](#). With smaller-cap stocks, it's important to be mindful of the risks. As you've probably heard from your financial advisor, more reward comes at the cost of more risk. And with smaller caps, you can expect far more volatility than the likes of a blue-chip darling that's likely to hog the media spotlight.

In this piece, I've compiled a list of four top TSX stocks under \$10 that look to be intriguing buys today. First and foremost, each name is a [wonderful business](#) at a wonderful price. They just happen to be trading in the single digits.

StorageVault Canada

StorageVault Canada (TSXV:SVI) is essentially a REIT for your stuff. The company, which is a play on self-storage units in Canada, is far more stable and less volatile than most folks would credit it for. The \$4.75 stock that trades on the TSX Venture Exchange is far less volatile (0.86 beta) than many larger names on the actual **TSX Index**. With a \$1.8 billion market cap, it's a mystery to me why the company has yet to graduate to an exchange with more mature companies.

In any case, the lesser-known company is a great buy here while it's fresh off its in-line first quarter. The firm has been resilient through the worst of the pandemic, and with more acquisitions likely to be on the horizon, growth-savvy investors should look to punch their ticket into the stock should it pullback to the \$4 levels.

Goodfood Market

Goodfood Market ([TSX:FOOD](#)) is fresh off a vicious 50% plunge, thanks in part to the broader

distaste for unprofitable high-growth companies. While Goodfood is a fast-growing firm (triple-digit revenue growth in recent years), the stock remains modestly valued at the time of writing at just 1.5 times sales.

Why is the stock so cheap? Investors don't seem to think the growth can continue. The pandemic was a massive tailwind for the meal-kit delivery firms. And as it ends, the floodgates could open, and Goodfood risks subscriber cancellations en masse unless it can find a way to mitigate any such post-pandemic subscriber bleed, perhaps via price cuts.

Growth deceleration is inevitable, but after a 50% drop, I'd argue that the damage is way overdone. At \$7 and change, FOOD stock is an intriguing 0.01 beta stock that could profoundly reward contrarians willing to step in amid its latest tumble.

Fire & Flower

Fire & Flower ([TSX:FAF](#)) is a cannabis retailer that trades at exactly \$1 at the time of writing. The firm, which partnered up with convenience store kingpin Alimentation Couche-Tard in an Albertan pilot project that saw Fire & Flower stores pop up next to certain Circle K locations, is dirt-cheap at just 1.9 times sales.

Furthermore, the Fire-Couche store-adjacency plot is reportedly a great success. As a result, Couche-Tard could be ready to take a bigger bite out of the small-scale cannabis retailer, as it looks to emerge itself into the cannabis retail waters in the safest way possible.

Fire & Flower is a best-in-class company with an incredible omnichannel presence. With Couche aboard, I wouldn't be surprised if the company becomes one of the most dominant forces in cannabis retailers in five years from now.

Kinross Gold

Kinross Gold ([TSX:K](#))([NYSE:KGC](#)) is a gold and silver miner that's priced at \$9 and change. With the recent weakness in precious metal prices, Kinross has suffered a considerable fall from grace, plunging alongside other gold miners by nearly 40%, amplifying the downside in gold prices.

With inflation jitters picking up again, I think gold and silver could be in a spot to surge to new heights. And the miners, Kinross included, will find themselves in an enviable position. The company generated US\$1 billion in free cash flow last year, and it I suspect 2021 could be an even bigger year, as Kinross ramps up production while precious metals get back into rally mode.

At 7.2 times earnings, I view Kinross as one of the lowest-cost gold miners to pounce on if you're at all worried about inflation.

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TICKERS GLOBAL

1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:FAF (Fire & Flower)
3. TSX:FOOD (Goodfood Market)
4. TSX:K (Kinross Gold Corporation)
5. TSX:SVI (StorageVault Canada Inc.)

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