



Top 4 Canadian Stocks to Buy Under \$100

Description

Are you looking to invest in the stock market but don't know how? The key rule of stock investing is diversification. Never put all your money in one or two stocks with similar characteristics. Diversification goes deeper than buying four to five stocks. It means buying stocks in different sectors that are exposed to different market risks and returns. A well-balanced portfolio has a perfect blend of growth, dividend, resilient, and speculative stocks. And you can get all this for just \$500.

Stocks under \$100

There is a myth that shares require a large investment amount. But there are stocks of all price ranges, from \$5 to \$2,000. Here is a list of four stocks under \$100. Each stock is from a different sector with a different investment purpose, giving you a well-balanced portfolio for less than \$500.

Descartes stock

The first share in your portfolio should be a resilient stock that will protect your money from a significant downside. For less than \$72 a share, you can buy **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#)) stock. This software company is in a resilient business of logistics and supply chain management. It helps companies transmit information, people, and goods via rail, sea, road, and air.

Take the pandemic, for example. The lockdown accelerated e-commerce volume while reducing the travel of people. Descartes was unaffected, as weakness in the airline was more than offset by strength in e-commerce. The stock surged 30% last year and over 9% between January to April. The stock has the potential to grow as the economy reopens. This is a good time to buy the stock at a 14% discount from its April high.

TC Energy

Once you have protected your portfolio, it is time to secure some regular returns with [dividend stocks](#). Dividend stocks are essential companies with regular cash flow. **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) is mainly in the business of natural gas power generation, transmission, and storage.

Natural gas is a key source of power in Ontario and many other cities. Energy is an essential service. You need electricity for almost everything, and the usage will only grow as more and more devices need to be plugged in. TC Energy has many ongoing projects which will bring more cash inflow. Its integrated energy model has helped it increase dividends at a compounded annual growth rate (CAGR) of 6.8%.

The stock has almost recovered to the pre-pandemic level, rising 16% year to date. But it still has a 15% upside to hit the pre-pandemic high. For less than \$62, you can lock in a 5.7% dividend yield, which comes to \$2.84 a year.

BCE

Another stock that pays an incremental dividend is **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), which owns Canada's largest telecom infrastructure. The growing penetration of the internet and the 5G rollout will bring in more subscription revenue for BCE. The 4G revolution helped the company [increase](#) its dividend at a CAGR of 6.4% between 2010 and 2020. The 5G revolution is bigger than 4G, as it goes beyond smartphones and laptops to cars, drones, and much more.

For less than \$60, you can get one BCE share and lock in a 5.85% dividend yield, which comes to \$3.5 a year. The share price can double in 10 years, also giving you capital appreciation.

Lightspeed stock

After securing some returns through dividends, it is time to take some risk with growth stocks. But don't just invest in any stock. Look at the company's fundamentals, growth potential, and business model to see if it is sustainable.

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) meets all three requirements. It offers omnichannel commerce solutions to small- and mid-sized retailers and restaurants, which means it has a diversified customer base. The pandemic was a transformative year for Lightspeed. It became a preferred platform among merchants. The company is seeing a recovery in the hospitality sector, as many economies across the world reopen. Restaurants are using the Lightspeed platform to grow efficiently.

It has significant growth potential in the coming few years. Buy the stock while it still trades under \$100.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Personal Finance
5. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. NYSE:BCE (BCE Inc.)
3. NYSE:LSPD (Lightspeed Commerce)
4. NYSE:TRP (Tc Energy)
5. TSX:BCE (BCE Inc.)
6. TSX:DSG (The Descartes Systems Group Inc)
7. TSX:LSPD (Lightspeed Commerce)
8. TSX:TRP (TC Energy Corporation)

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Author

pujatayal

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