



3 of the Best Canadian Stocks to Buy for \$10 or Less Today

Description

Canadian small-cap stocks can be a highly volatile asset class to own. However, [if you pick your stocks wisely](#) and diversify your portfolio, you can enjoy some outsized returns over the long run. The key with small-cap investing is to be very patient and have a long time horizon. Their stock prices can swing drastically up or down on any one day regardless of any fundamental change in their business. It just demonstrates the importance of thinking years and not days or quarters with these investments.

Given this, here are three really great quality Canadian stocks trading for around \$10 per share or less today. They all operate in very different sectors, but each has characteristics that should be attractive for long-term investing.

IBI Group: A Canadian infra-tech stock

IBI Group ([TSX:IBG](#)) has a market capitalization of \$320 million and trades for \$10 per share today. It is an integrated engineering, design, and technology firm operating in over 60 offices across the world. As we exit the pandemic and economies normalize, demand for “normal” building and infrastructure design services should rise. This trend, at the very least, was demonstrated in IBI’s [first quarter 2021 results](#). It saw double-digit growth in revenues, adjusted EBITDA, and its backlog.

Unlike many of its peers, IBI has a distinct focus on technology and is helping clients integrate intelligent software platforms into buildings and infrastructure. As energy and resource management become increasingly important, this segment should drive strong growth ahead. Compared to its peers, IBI trades at a discount looks like a great buy today.

European Residential REIT: A European apartment leader

If you want a smaller-cap Canadian stock that pays out a nice dividend, **European Residential REIT** ([TSX:ERE.UN](#)) is attractive. Today it trades for \$4.16 per share, but pays a very nice 4% dividend. As its name suggests, it operates 6,047 residential units in the Netherlands. For residential properties, this is a very attractive region. The Netherlands is one of the most densely populated countries in the world

and housing is in incredibly short supply.

As a result, ERE's property portfolio garners very stable near-100% occupancy. Solid demand means room to grow rental rates and therefore cash flows. Likewise, this REIT has a strong acquisition pipeline. Combine both these factors and this stock should accrete solid cash flow growth for years ahead.

VieMed Healthcare: A Canadian value stock with American operations

VieMed Healthcare ([TSX:VMD](#))([NASDAQ:VMD](#)) is a way that Canadians can bet on the pandemic recovery in America. It is a leading provider of in-home respiratory and ventilation services across the U.S. American healthcare providers are consistently looking for ways to save money, and VieMed's in-home health services help them do that.

This business has somewhat been hampered in the past few months by the pandemic. However, with quick vaccine deployment in the U.S., it is starting to see opportunities to grow its patient count. In addition, it is deploying new software platforms that make the implementation of its service virtual, more efficient, and convenient.

On a normalized basis, it targets 30% organic growth annually. Today, this Canadian stock has a very good balance sheet. It has about \$30 million of cash, which it is hoping deploy into an acquisition or two this year. Right now, this stock trades around \$10.50 per share. It trades with an earnings multiple of just 12 times. Combine value and growth and this stock has a long-term winning mix.

CATEGORY

1. Coronavirus
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

1. NASDAQ:VMD (Viemed Healthcare)
2. TSX:ERE.UN (European Residential Real Estate Investment Trust)
3. TSX:IBG (Ibi Group)
4. TSX:VMD (Viemed Healthcare)

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