



4 Top Canadian Stocks to Buy Under \$20

Description

Despite concerns over rising inflation and a deepening COVID-19 crisis in Asia, the Canadian equity markets have been resilient, with the benchmark index, the **S&P/TSX Composite Index**, trading 12% higher for this year. The expectation of demand recovery and economic expansion have increased investors' confidence, driving the index higher. Amid increased investors' optimism, here are four Canadian stocks that you can buy for under \$20 for superior returns.

BlackBerry

The steep correction from its recent highs provides an [excellent buying opportunity](#) in **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)), given its multiple growth drivers. The company specializes in endpoint security while providing embedded solutions for automobiles. Amid increased remote working and increased digitization of business processes, the spending on cybersecurity could rise in the coming years, which could benefit BlackBerry.

Meanwhile, *Strategy Analytics* expects the demand for embedded systems in vehicles to surge over the next few years, driven by advanced driver-assistance systems and data gateways. So, BlackBerry's partnership with **Amazon** Web Services to develop the IVY vehicle data platform could be a significant growth driver. The product could hit the markets in February 2022. Further, BlackBerry is also expanding its footprint in the high-growth electric vehicle (EV) market, which could boost its sales in the coming years.

Tilray

Second on my list would be **Tilray** ([TSX:TLRY](#))([NASDAQ:TLRY](#)). Earlier this month, Tilray [completed its merger](#) with Aphria to form the world's biggest cannabis company by revenue. The merger has strengthened the combined entity's product offerings in medical and recreational markets. With its E.U. GMP-certified production facilities in Germany and Portugal and a strong distribution network in Germany, the company is well positioned to carry out international expansion in the medical cannabis sector.

In the United States, Tilray could expand its CPG presence through SweetWater, a branded craft brewer, and Manitoba Harvest, which produces and markets CBD products. Besides, the synergy between the two companies could save around \$100 million within the next 18 months. Along with these growth prospects, the expansion in the cannabis sector could boost Tilray's financials and stock price.

Savaria

Savaria ([TSX:SIS](#)), which produces and markets accessibility solutions, has returned close to 30% this year. The company's accretive acquisition of Handicare and strong first-quarter performance have led the company's stock price to rise. Meanwhile, I expect the uptrend to continue, as the demand for the company's services could rise amid the rising aging population and increasing income.

Further, the acquisition of Handicare could significantly expand its distribution network outside North America. The acquisition also improves product innovation, production efficiency and offers cross-selling opportunities. Despite its stock price growth, the company still trades at an attractive forward price-to-sales multiple of 1.7. The company also rewards its shareholders with monthly dividends of \$0.04 per share, with its forward dividend yield standing at 2.6%.

Kinross Gold

My final pick would be **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)), which trades over 28% lower from its August highs. The pullback in gold prices has dragged the company's stock price and its valuation down. Currently, its forward price-to-earnings and price-to-book multiples stand at 11 and 1.5, respectively.

However, gold prices have recovered this quarter by rising over 5%. I expect gold prices to strengthen further amid the concerns over rising inflation and the selloff in cryptocurrency markets. Besides, the company's production could increase by 20% over the next three years. Further, the increased output from its low-cost mines could lower its expenses, thus driving its margins higher. Amid the expectation of gold prices moving north and improving operating metrics, I am bullish on Kinross Gold.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Metals and Mining Stocks
4. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:TLRY (Tilray)
2. NYSE:BB (BlackBerry)
3. NYSE:KGC (Kinross Gold Corporation)
4. TSX:BB (BlackBerry)
5. TSX:K (Kinross Gold Corporation)
6. TSX:SIS (Savaria Corporation)

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