



4 Cheap (Under-\$20) TSX Stocks to Buy in June 2021

Description

Thanks to the stellar recovery rally in most of the stocks listed on the **TSX Index**, it's hard to find high-quality shares that are cheap. However, on further digging, I have come up with four high-growth stocks with solid fundamentals that are trading cheap and could deliver stellar returns in the long run. Notably, these stocks trade below \$20, offer good value, and have multiple growth catalysts.

Kinross Gold

Shares of **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) have gained about 10% in one month. However, it is still trading about 30% lower than the 52-week high of \$13.59, providing a solid opportunity for adding its stock to your portfolio. I am bullish on Kinross Gold, as three of its largest producing mines are delivering lower costs, which could give a significant boost to its profitability. Notably, its margins growth continues to outpace the average realized gold price increase, which is encouraging.

Kinross Gold's diversified portfolio of assets, growing production profile, a strong pipeline of growth projects, the decline in costs, and solid free cash flows bode well for future growth and are likely to drive its stock higher. Moreover, its low valuation further strengthens my bullish view. Its forward EV/EBITDA multiple of 5.3 is significantly below its peers. Also, it offers a decent yield of 1.5%.

WELL Health Technologies

Shares of **WELL Health Technologies** ([TSX:WELL](#)) have rallied about 150% in one year, thanks to its stellar financials backed by accretive acquisitions and continued momentum in the base business. However, it has lost some of its value and is down 19.5% in three months, which I see as a solid buying opportunity in this high-growth stock.

Its revenues are growing rapidly, reflecting stellar performance in the software and services segment. Further, it has delivered positive adjusted EBITDA in two quarters in a row. I believe the growing demand for telehealth services, digitization of clinical assets, active pipeline of acquisition opportunities, optimization of costs, and increase in operating cash flows are likely to drive [stellar growth in its stock](#).

Absolute Software

Besides WELL Health, **Absolute Software** ([TSX:ABST](#))([NASDAQ:ABST](#)) is another high-growth, under-\$20 stock listed on the TSX. The stock is trading cheap compared to peers and offers robust growth. The pace of growth in its annual recurring revenues has accelerated in the past four consecutive quarters. Meanwhile, its adjusted EBITDA is growing at a breakneck pace.

Absolute Software projects solid double-digit growth in its top line in 2021, while its margins could continue to grow at a healthy pace. A large addressable market, channel and global expansion, increased spending on cybersecurity, and a strong pipeline of new products position it well to deliver stellar growth in coming years. Meanwhile, its stock is down about 16% in three months and looks attractive at current levels.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is among the [top low-risk and high-growth](#) stocks. It has consistently delivered solid total shareholder returns and handily outpaced the benchmark index in the past several years. Its diversified portfolio of high-quality assets, rate base growth, long-term contracts, and opportunities in the renewable power business augur well for future growth.

Meanwhile, I expect Algonquin Power & Utilities to continue to enhance its shareholders' returns through higher dividend payments. It raised its dividends by 10% annually in the last 11 years and offers a solid yield of 4.4%. Also, its stock has witnessed a healthy pullback of about 10% this year, making it an attractive investment at current levels.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Metals and Mining Stocks
5. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:ABST (Absolute Software)
2. NYSE:AQN (Algonquin Power & Utilities Corp.)
3. NYSE:KGC (Kinross Gold Corporation)
4. TSX:ABST (Absolute Software)

5. TSX:AQN (Algonquin Power & Utilities Corp.)
6. TSX:K (Kinross Gold Corporation)
7. TSX:WELL (WELL Health Technologies Corp.)

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