



Buy This Cheap Canadian Stock No One Is Talking About

Description

It looks like Canada finally has COVID-19 somewhat under control. Even with the new variants ripping through the country, cases have fallen by a whopping 80% in the last month alone! Meanwhile, more than 50% of the population have received the first dose of the vaccine, with second doses already being moved up. Yet this isn't all good news for those seeking out a cheap Canadian stock to buy.

E-commerce pullback

If you wanted a cheap Canadian stock, you looked in the e-commerce sector just over a year ago. These companies proved to be where you wanted to invest to see high growth in a short period. However, that's if you only planned on investing short term — or so it seemed.

This sector, and anything related, recently experienced a serious pullback with the rise in COVID-19 vaccinations. The end of the pandemic has many investors fearing that there will be a drop in e-commerce use. But while there might be a levelling out, I'm here to tell you a reversion to pre-pandemic use is *not going to happen*.

Growth for the long haul

If you're looking for a long-term investment, e-commerce is still a fantastic place to be. Before the pandemic, it was already estimated that e-commerce use would outpace brick-and-mortar stores in the next decade. That process has been sped up by the pandemic, with many businesses (small and large) getting online.

So, companies related to this industry will also see continued growth. One such area is through shipping. I remember speaking to a mailman in the beginning phases of the pandemic, and he said deliveries were "worse than Christmas." What's more, that hasn't really changed! That being said, companies making deliveries and shipping have adapted to make this industry work better.

So, while it might seem like things have slowed down, it's just that this area of shipping and receiving

has become more efficient. So, if you want to get in on any area for long-term growth, it's through e-commerce shipping.

And that leads to one cheap Canadian stock I would buy and never sell.

A cheap Canadian stock to drool over

I'm sure a year ago, if you were paying attention, you would have heard all about **Cargojet** ([TSX:CJT](#)). The company saw shares soar with revenue pouring into the business. E-commerce growth was insane for the company. Since then, it has expanded aircraft and destinations to increase its business further.

But even before the pandemic, Cargojet was a great stock to invest in. That's in part thanks to its partnership with **Amazon**. Amazon currently has a 9.9% stake in the business. Yet if Cargojet reaches \$600 million in sales from this partnership, that stake will rise to 14.9%.

This was back in 2018. Now those numbers seem all but assured. And Amazon has [been expanding](#) as well as a rapid pace, looking to pick up any new revenue stream. Cargojet is very likely a part of its growth plan, especially in Canada.

And if you're thinking revenue has slowed, it's simply not true. One year ago, Cargojet was in the [midst of the pandemic](#) and seeing revenue skyrocket. The numbers were great. But if you thought there would be a slowdown compared to those numbers, you'd be wrong. In the most recent report, Cargojet saw a year-over-year increase of 30% in revenue!

What's more, management believes now is the time to expand globally. With shipping routes expanding around the world as COVID-19 ends, there are actually *more* opportunities, not less. By 2023, experts believe annual global e-commerce sales could hit US\$6.5 trillion, double where they were in 2019! So, with the stock trading down 30% from all-time highs and at 4.8 times book value, this is a cheap Canadian stock you don't want to miss out on.

CATEGORY

1. Coronavirus
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TICKERS GLOBAL

1. TSX:CJT (Cargojet Inc.)

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