4 TSX Growth Stocks That Should Be on Your Radar

Description

Small-cap stocks sometimes give the impression they are not worthy investments because their prices are absurdly low.

Four names should be on investors' radars, as the respective business outlooks are encouraging.

Would-be investors can take positions now and earn a bunch of money later if these TSX stocks soar past $5.

Strategic partnership

Fire & Flower Holdings (TSX:FAF) in the marijuana space trades at only $1.16 per share, although its year-to-date gain (+33.33%) is better than some large-cap stocks. The $386.63 million purpose-built, independent adult-use cannabis retailer from Toronto packs firepower.

One compelling reason to invest in this weed stock is its strategic partner. The king of convenience stores, **Alimentation Couche-Tard**, owns 19.9%, which means Fire & Flower is an indirect subsidiary of the king of convenience stores. The partnership will enable the company to continue the aggressive pursuit of its growth strategy in Canada and the United States.

At year-end 2020, Fire & Flower completed the purchase of Friendly Stranger, a company with a different consumer base and an accessories brand that has a strong, if not established, retail position in Ontario.

Serious upside potential

Athabasca Oil (TSX:ATH), a $419.23 million upstream exploration and production company, should benefit greatly from rising oil prices and a recovering economy. Would you believe that at $0.79 per share, the energy stock is up 364.17% year to date?

You can't dismiss Athabasca as an unattractive prospect. The company focuses on developing thermal and light oil assets that have serious upside potential. It boasts a significant land base in the Western Canadian Sedimentary Basin in Alberta, where the resources are extensive and of high quality.

Athabasca's truck-in terminal, with a capacity of 5,000 bbl/d of third-party truck-in capacity, will commence operations in July 2021. The company earn processing fees and leverages volume commitments under its transportation agreements.

Buyout target

Photon Control (TSX:PHO) is a low-priced tech stock ($3.58 per share). The $376.23 million company from Richmond designs and manufactures optical sensors and systems that measure temperature and position. It will be under the control of **MKS Instruments** by the third quarter of 2021.

The American company MKS, which provides instruments, systems, subsystems, and process control solutions, will acquire Photon for $387 million. Photon is a high flyer with its 77.23% year-to-date gain. The tech stock's trailing one-year price return is 103.41%.

Forward looking

Ensign Energy Services (TSX:ESI) is among the top performers in TSX's energy sector. As of June 7, 2021, it outperforms the broader market, +74.73% versus +14.93%. You can purchase the energy stock at $1.59 per share.

The $258.28 million company from Calgary provides oilfield services to crude oil and natural gas producers in Canada, the United States, and internationally. Ensign performs shallow, intermediate, and deep well drilling plus specialized drilling services.

Despite the significant drop in revenue and net loss in Q1 2021, Ensign had a working capital surplus of $101.7 million. Management looks forward to better financial results, as macroeconomic and industry conditions improve in the second half of the year.

Quality investments

The TSX is home to quality investments, including small-cap stocks. Fire & Flower, Athabasca Oil, Photon Control, and Ensign Energy Services are affordable to all investors. Investors should take advantage before these growth stocks break out and become expensive.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ESI (Ensign Energy Services Inc.)
2. TSX:FAF (Fire & Flower)

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