



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

Description

Most top Canadian stocks are trending higher, thanks to the steady economic expansion and revival in consumer demand stemming from the ongoing vaccinations. Despite the appreciation in price, several high-growth Canadian stocks are still trading cheap and are well within reach of every investor. I have shortlisted four such cheap Canadian stocks trading under \$20 that I expect could deliver strong returns in the coming years.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is among the [top stocks](#) that are trading cheap (under \$20) and offer good growth opportunities. Its high-quality power-producing assets consistently generate solid earnings and cash flows that drive its stock higher and support higher dividend payments.

Notably, the company projects its rate base to increase at a double-digit rate over the next five years, which could significantly boost its profitability. Further, its long-term contracts add stability and protect the downside risk. Also, expansion of its renewable energy capacity and strategic acquisitions are likely to bolster its growth.

Investors could also benefit significantly from Algonquin Power & Utilities's robust dividends. It has consistently increased its dividend at a CAGR of 10% in the past 11 years. Moreover, I expect it to continue to pay higher dividends, thanks to its regulated assets and ability to grow earnings at a decent pace.

Goodfood Market

Goodfood Market ([TSX:FOOD](#)) has delivered stellar returns over the past several years and is trading cheap (under \$20). Its stock appreciated by over 82% in one year and 212% in three years on the back of its solid financial and operating performance.

The growing shift towards online grocery services, strong growth in its subscriber base, expansion of product offerings, and its dominant competitive positioning provide a solid foundation for growth.

Meanwhile, the company's launch of same-day delivery services, increasing focus on reducing delivery time, and targeted marketing should increase its basket size and order frequency and, in turn, boost its overall financials. Notably, Goodfood Market stock has lost a fair amount of value in the recent past, implying that investors should bag this cheap stock at current levels.

Kinross Gold

I am bullish on **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)), as the company remains on track to consistently deliver robust earnings, thanks to the growing production from the low-cost mines and its higher exposure to gold.

Kinross Gold expects its production to ramp up by 20% over the next three years. Meanwhile, its costs are likely to trend lower, driving its margins faster than the increase in average realized gold price increase.

Overall, Kinross Gold's diversified portfolio, substantial growth projects, robust margins, solid balance sheet, and strong free cash flows suggest that Kinross Gold could continue to make its investors rich. Moreover, its low valuation and regular dividend payments make it a top stock to own at current price levels.

WELL Health

WELL Health Technologies ([TSX:WELL](#)) is a high-quality stock that has delivered [high growth](#) to its investors. The stock skyrocketed over 203% in one year and over 1,613% in three years. The stellar growth reflects its strong financial performance, growing demand for its offerings, benefits from its accretive acquisitions, and market share growth.

The company's top line could continue to grow rapidly due to the strength in its software and services revenues. Meanwhile, WELL Health's focus on cost-control initiatives, strong acquisition pipeline, and digitization of clinical assets could accelerate its growth and drive its stock higher. Notably, its stock has witnessed a healthy pullback and should be a part of your growth portfolio.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:KGC (Kinross Gold Corporation)

3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:FOOD (Goodfood Market)
5. TSX:K (Kinross Gold Corporation)
6. TSX:WELL (WELL Health Technologies Corp.)

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