



Got \$500? 3 Under \$10 Stocks You Can Buy Right Now!

Description

Investing in the equity markets remains the best way to create long-term wealth as interest rates remain near record lows and inflation numbers keep rising. However, several indexes are trading near record highs driven by the impressive rally in tech stocks.

But if you look closer there are several lower-priced stocks trading at an attractive valuation and have the potential to increase your savings exponentially.

You do not need a significant amount of capital to gain exposure to lower-priced stocks and can better diversify your portfolio as a result. Here, we look at three such stocks that are trading below \$10.

WELL Health

The first stock on my list is **WELL Health Technologies** ([TSX:WELL](#)), a digital health company valued at a market cap of \$1.47 billion. WELL stock has gained a monstrous 7,150% in just over five years turning an investment of \$500 into \$36,000 in this period.

Despite these market-thumping gains, WELL stock remains undervalued. WELL Health has managed to increase its sales from \$5.9 million in 2018 to \$50.14 million in 2020 on the back of several accretive acquisitions.

This trend will continue in the near term given WELL's recent acquisition of CRH Medical this year. Now, Bay Street expects WELL sales to rise over 425% year over year to \$265 million in 2021 and by 60% to \$423 million in 2022. This will allow the company to improve its bottom line from a loss per share of \$0.03 in 2020 to earnings of \$0.06 in 2022.

Analysts have a 12-month average price target of \$12 for WELL stock, which is 55% above its current price.

4Front Ventures

A [small-cap](#) U.S.-based cannabis manufacturer, **4Front Ventures** (CNSX:FFTN) is valued at a market cap of \$1.08 billion with a share price of \$1.46. The company aims to gain traction in cannabis markets such as Washington, Illinois, Michigan, California, and Massachusetts.

It has reported a positive cash flow since August 2020 and a positive adjusted EBITDA in Q3 of 2020. In fiscal 2021, the marijuana producer has estimated sales between US\$170 million and US\$180 million with adjusted EBITDA between US\$40 million and US\$50 million.

4Front Ventures is part of a rapidly expanding addressable market and will benefit from multiple secular tailwinds in the upcoming decade. It forecast global cannabis spending to touch US\$20.4 billion in 2020, a rise of 38% year over year. Comparatively, it also expects the U.S. cannabis market to be valued at US\$35 billion by 2024, up from US\$12.4 billion in 2019.

Gage Growth

A micro-cap stock valued at a market cap of \$330 million, **Gage Growth** (CSE:GAGE) is the final company on my list. Gage Growth has a significant presence in Michigan, a state with a population of 10 million. Michigan's adult-use cannabis sales touched \$985 million in 2020 and in March monthly sales stood at \$146 million, indicating an annualized run rate of \$1.8 billion for 2021.

Gage Growth has already [grown its sales](#) from \$1.92 million in 2019 to \$39.88 million in 2020. In the first quarter of 2021, Gage Growth reported sales of \$17.6 million which suggests total sales might surpass \$70 million in 2021.

So, Gage Growth stock is valued at a forward price to sales multiple of less than 5 which is very reasonable for a high-growth company.

CATEGORY

1. Cannabis Stocks

TICKERS GLOBAL

1. CNSX:FFNT (4Front Ventures Corp.)
2. TSX:WELL (WELL Health Technologies Corp.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

8. Yahoo CA

PP NOTIFY USER

1. araghunath
2. arosenberg

Category

1. Cannabis Stocks

Date

2025/06/28

Date Created

2021/07/28

Author

araghunath

default watermark

default watermark