3 Top Under-$30 TSX Stocks I'd Buy Right Now

Description

You must have heard many times before that you don't need a lot of money to start investing in stocks to create wealth. While that is true, one should not buy stocks based only on their lower price. Instead, one should focus on a company's fundamentals and future growth opportunities.

With high-quality and cheap stocks in the backdrop, let's delve deeper into three Canadian companies that have impressed with their financials and have solid growth prospects. Notably, these TSX stocks are trading under $30 and are within every investors' reach.

WELL Health Technologies

First up are the shares of the tech-based healthcare company **WELL Health Technologies** (TSX:WELL). Besides its low stock price, WELL Health is a solid buy for its robust financial performance, good growth prospects, and favourable industry trends. The astounding growth of 4,577% (since listing on the TSX in June 2017) in its stock price is a reflection of its stellar financials and ability to grow.

Its revenues continue to grow rapidly, thanks to its ability to acquire and integrate businesses. WELL Health calls itself an "acquisitive company" and focuses on accretive capital-allocation strategy that accelerates its revenue growth and supports free cash flows.

I expect WELL Health to continue to deliver outsized returns in the coming years, reflecting solid organic growth opportunities, momentum in the domestic business, and a robust M&A pipeline. Furthermore, the growing demand for telehealth services, focus on modernizing clinical and digital assets, and cost-saving measures bode well for future growth.

Air Canada

Air Canada (TSX:AC) stock is poised to deliver solid returns in the next three to five years. Its improving financial performance, led by ongoing vaccination and the pickup in domestic travel demand, is likely to drive its stock higher. Notably, Air Canada stock recovered some of its lost ground on resumption of its domestic operations and easing pandemic-led restrictions. However, it continues to trade cheap (under $30) and has further room for growth.

Air Canada impressed with its recent financial performance, wherein its revenues and other key KPIs, including available seat miles and revenue passenger miles, showed improvement. Furthermore, its net cash-burn rate declined. Another bright spot was management's commentary around future net cash burn and bookings. Its net cash burn could decline further, while bookings are likely to show further improvement, which is encouraging.

I believe the normalization of its operations, pickup in demand, lower cash burn, and reopening international borders could significantly boost Air Canada stock. Furthermore, momentum in the air cargo business, strong liquidity, and lower cost base position it well to navigate the current crisis with ease.

Goodfood Market

Goodfood Market (TSX:FOOD) is another solid stock available at an attractive price. The increased adoption of online grocery services, increased spending on e-commerce platforms, and Goodfood Market's robust delivery capabilities indicate that the company could continue to deliver strong financial numbers that could drive its stock price higher.

Despite the reopening of retail locations, I believe the demand for online grocery services could remain elevated. Meanwhile, the expansion of its online offerings and reduction in delivery time could drive its order frequency, basket size, and customer base.

Furthermore, its strong competitive positioning, growing scale, and targeted marketing could accelerate its growth rate and push its stock higher.

CATEGORY

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2. TSX:FOOD (Goodfood Market)
3. TSX:WELL (WELL Health Technologies Corp.)

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