



4 Cheap Canadian Stocks to Buy in August 2021

Description

The Canadian stock market remains strong, with multiple stocks trading at stretched valuations. Despite the strong buying, there are a few stocks that are trading cheap and offer good growth.

Let's discuss four such Canadian stocks that are well within investors' reach and could deliver stellar returns in the medium to long term.

WELL Health Technologies

Despite its back-to-back solid quarterly performances, **WELL Health Technologies** ([TSX:WELL](#)) stock is trading under \$10. While it has rallied over 4,629% since it got listed in June 2017, I see further room for growth, thanks to its ability to grow inorganically.

Notably, WELL Health's accretive acquisitions accelerate its growth and drive its free cash flows. Further, the rising demand for telehealth services, momentum in the domestic business, focus on modernizing clinical and digital assets, and cost control initiatives augur well for [future growth](#).

Goodfood Market

Goodfood Market ([TSX:FOOD](#)) is another excellent stock that is trading under \$10. The rise in e-commerce spending during the pandemic has significantly benefited Goodfood Market's financials, in turn, its stock price in 2020. While its growth rate could moderate a bit amid the reopening of the economy, I expect the demand for online grocery services to remain elevated and support its stock price.

Meanwhile, Goodfood Market's expansion of online offerings, targeted marketing, and reduction in delivery time could drive its order frequency, basket size, and customer base. Furthermore, the company's strong competitive positioning, robust delivery capabilities, and growing scale position it well to benefit from favourable industry trends. The stock has corrected about 20% this year, making it a solid buy for long-term investors.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is a solid bet for investors seeking growth and income. The utility company has consistently delivered stellar earnings and higher cash flows on the back of its rate-regulated assets and contractual framework.

Further, it projects its rate base to grow at a double-digit rate in the next five years, implying consistent earnings growth in the coming years.

Thanks to the company's solid earnings and cash flows, Algonquin Power & Utilities has increased its dividend at a compound annual growth rate of 10% in the past 11 years and yields 4.2%. I believe the company could continue to [enhance its shareholders' value](#) in the years ahead through higher dividend payments. Furthermore, its strategic acquisitions and growing renewable power capacity will likely bolster its future growth.

StorageVault Canada

Investors could consider adding **StorageVault Canada** (TSXV:SVI) to their portfolio for its solid growth prospects. Its stock has appreciated over 444% in five years and 1,865% in the past decade. I believe the stock has further upside given its growing revenue base, solid growth opportunities in its storage business, and accretive acquisitions.

Its leading position in the domestic market continued momentum in the base business, and barriers to entry support my bullish view of the stock. Meanwhile, I expect StorageVault to gain from higher occupancy and rental space, a solid M&A pipeline, improved efficiency, and substantial funds from operations.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:FOOD (Goodfood Market)
4. TSX:SVI (StorageVault Canada Inc.)
5. TSX:WELL (WELL Health Technologies Corp.)

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Author

snahata

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