Got $500? 3 Cheap Stocks to Buy Now

Description

The **S&P/TSX Composite Index** was down 46 points in early afternoon trading on August 12. Base metals led the retreat on the day, as gold and silver continued to fall out of favour. Today, I want to discuss how investors could use $500 to snatch up three cheap stocks available on the Canadian market. Let's jump in.

This cheap stock gained momentum during the COVID-19 pandemic

VieMed Healthcare (TSX:VMD)(NASDAQ:VMD) drew significant attention when the seriousness of the COVID-19 pandemic became apparent in early 2020. Its shares rose to an all-time high of $15.80 last summer. The company provides in-home durable medical equipment with a focus on post-acute respiratory healthcare services. This cheap stock is down 17% in 2021 at the time of this writing.

The company released its second-quarter 2021 results on August 2. Total net revenues attributed to VieMed's core business were reported at $26.3 million, which represented a record. Its ventilator patient count grew to 8,103 — up 5% from the prior year.

Shares of this cheap stock last had a price-to-earnings (P/E) ratio of 24. This puts it in solid value territory relative to industry peers. The stock has hovered around technically oversold territory since the beginning of May. I'm still looking to snatch up this healthcare stock for the long term.

Here's another stock to snatch up in mid-August

Jamieson Wellness (TSX:JWEL) is another healthcare-focused stock that looks discounted right now. The Toronto-based company develops, manufactures, distributes, and sells natural health products in Canada and around the world. Its shares have dropped 5.8% in the year-to-date period.

Investors got a look at its second quarter 2021 results on August 6. Revenue rose 18.6% year over year to $110 million. Meanwhile, adjusted net earnings increased 21.8% from the prior year to $12.0 million. Jamieson's international branded business delivered growth of 21.6% on a constant currency basis. So, what makes Jamieson a cheap stock?

Jamieson stock last had a P/E ratio of 31. That puts the stock in solid value territory relative to its industry peers. The stock last paid out a quarterly dividend of $0.15 per share. That represents a modest 1.7% yield.

One more cheap stock to add today

Badger Infrastructure (TSX:BDGI) is the third cheap stock I want to zero in on today. This company provides non-destructive excavating and related services in North America. Its shares have plunged 9% in the year-to-date period. The stock is up marginally over the past month.

Last summer, I'd discussed why Badger was worth targeting. The company released its second-quarter 2021 results on August 5. Revenue rose marginally to $135 million compared to $134 million in the prior year. Badger took a hit over the course of the pandemic, but it is starting to see revenues recover. The company is still geared up for strong earnings growth going forward.

Badger's business still holds promise and it is poised to benefit from the broader recovery. Moreover, this cheap stock offers a monthly dividend of $0.052 per share. That represents a 1.8% yield.

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3. TSX:JWEL (Jamieson Wellness Inc.)
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