



4 Under-\$15 Canadian Stocks to Buy Right Now

Description

The rising inflation, increasing COVID-19 cases, and investors' expectations of the government raising taxes have increased the volatility in the Canadian equity markets. However, the **S&P/TSX Composite Index** is still trading over 16% higher for this year amid the expectation of solid recovery and expansionary fiscal and monetary policies. So, despite rising volatility, investors can buy the following four Canadian stocks to earn superior returns over the next three years.

Converge Technology Solutions

Converge Technology Solutions ([TSX:CTS](#)) has delivered an impressive performance of above 450% over the last 12 months, comfortably outperforming the broader equity markets. Its expanding addressable market, strong performance, and strategic acquisitions have driven its stock price higher. Meanwhile, the uptrend could continue, as the demand for the company's services is rising amid digitization.

Converge Technology Solutions focuses on strategic acquisitions to broaden its offerings, expand its geographical footprint, and strengthen its competitive position in specific markets. Since October 2017, it has completed 23 acquisitions. It recently [raised](#) around \$259 million through new equity offerings, which could support its future acquisitions and growth initiatives. So, given its healthy growth prospects, [I am bullish on Converge Technology Solutions](#).

Tilray

Second on my list is **Tilray** ([TSX:TLRY](#))([NASDAQ:TLRY](#)), which trades over 83% lower from its February highs. The weakness in the cannabis sector and a decline in investors' enthusiasm over the merger of Tilray and Aphria appear to have dragged the company's stock price down. Meanwhile, the steep correction provides an excellent entry point for long-term investors amid the expanding cannabis market due to increased legalization.

Meanwhile, the merger has expanded Tilray's product offering in the recreational space and increased

its market share to 16%. The company's management hopes to expand its share to 30% by 2024. Also, it is looking to expand the distribution of its medical cannabis products in the European region. Further, Tilray also owns warrants of MedMen. Once the U.S. Federal government legalizes cannabis, Tilray can exercise these warrants to acquire a significant stake in MedMen. So, Tilray's outlook looks healthy.

Absolute Software

Third on my list is **Absolute Software** ([TSX:ABST](#))([NASDAQ:ABST](#)), which provides cybersecurity solutions to enterprises across sectors. Amid rising remote working and learnings, the demand for cybersecurity solutions is growing, benefiting the company. Meanwhile, it focuses on enhancing and extending its platforms to protect its clients from rising cyber threats, thus expanding its customer base and boosting its financials.

In July, Absolute Software also completed the acquisition of NetMotion Software, which strengthened its competitive positioning in the endpoint resilience market. Despite its healthy growth prospects, the company still trades at an attractive forward price-to-earnings multiple of 23. It also pays quarterly dividends, with its forward yield standing at 2.22%. So, given its healthy growth prospects and attractive valuation, I am bullish on Absolute Software.

Cineplex

Another stock that is trading at a significant discount from its recent highs is **Cineplex** ([TSX:CGX](#)), which is down 61.8% from its January 2020 levels. The closure of entertainment avenues amid the pandemic had severely dented the company's financials, dragging its stock price down. However, the easing of restrictions has brought much-needed relief, with the company reopening all its screens from July 17.

Further, Cineplex has implemented VenueSafe measures and a movie subscription program called CineClub, which could improve foot traffic, thus driving its financials. Also, the company had taken several cost-cutting initiatives and strengthened its liquidity positions, which could help the company to ride out of this crisis. So, given the significant discount of its stock price and improving market conditions, Cineplex could deliver superior returns over the next three years.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:ABST (Absolute Software)
2. NASDAQ:TLRY (Tilray)
3. TSX:ABST (Absolute Software)
4. TSX:CGX (Cineplex Inc.)
5. TSX:TLRY (Aphria)

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Date

2025/06/29

Date Created

2021/09/22

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