



The 5 Best Canadian Stocks I'd Buy With \$500 Right Now

Description

If you have a long-term mindset, you can build a significant amount of wealth through the stock market. What's even more appealing is that you do not require a large amount of money to start investing in shares. So, if you can spare \$500, the following five Canadian stocks are must-haves in your portfolio to outpace the benchmark index and create a considerable amount of wealth in the long term.

Bank of Montreal

With steady economic growth, expected increase in credit demand and interest rates, and lower provisions, Canadian investors could consider buying **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) stock. Moreover, Bank of Montreal's diverse revenue streams, high-quality asset base, improving efficiency, and solid balance sheet will likely drive its earnings at a healthy pace.

Notably, Bank of Montreal stock has gained over 72% in one year. However, its price-to-book value multiple of 1.6 is still lower than its peers. Further, it has consistently enhanced its shareholders' value through increased dividend payments, and its high-quality earnings base indicates that the bank will continue to increase its dividends at a healthy pace.

goeasy

Like Bank of Montreal, **goeasy** ([TSX:GSY](#)) is another stock in the financial sector that I believe could continue to [deliver stellar returns](#) in the long run. Higher loan originations, strategic acquisitions, product launches, and geographic and channel expansion will likely drive double-digit growth in its revenues.

Further, higher penetration of secured loans, strong payment volumes, and operating leverage will likely drive strong double-digit growth in its bottom line. Also, goeasy has increased dividends at a compound annual growth rate of 34% since 2014, and I expect it to increase its dividends at a higher pace in the foreseeable future.

BlackBerry

With strong secular tailwinds, **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) stock is a [top bet for long-term investors](#). The accelerated pace of digital transformation, rising cybersecurity incidents, increased spending on cybersecurity threats, and expansion of the addressable market will likely drive BlackBerry's financials and, in turn, its stock price.

Furthermore, the ongoing recovery in the auto market, favourable megatrends, including electrification and automation, design wins, and higher QNX average revenue per user, augur well for future growth. Overall, its recurring software product revenue base and focus on the expansion of margins suggest that BlackBerry is poised to deliver superior returns in the long run.

Dye & Durham

Dye & Durham ([TSX:DND](#)) is another stock in the tech space that, in my opinion, has strong long-term growth prospects. Its large customer base, lower churn rates, and long-term contracts augur well for future growth. Meanwhile, Dye & Durham's ability to accelerate growth through acquisitions, expansion in the high-growth markets, and focus on increasing higher revenues from existing clients will likely drive its revenues and adjusted EBITDA.

Notably, Dye & Durham's adjusted EBITDA is projected to increase at a breakneck pace. Further, its strong balance sheet suggests that the company has enough ammo to fuel its growth strategies. Notably, shares of Dye & Durham have corrected quite a lot and look attractive at current price levels. Further, the reopening of the courthouses and increased business activities will likely keep the demand for its offerings elevated.

WELL Health

WELL Health Technologies ([TSX:WELL](#)) is a must-have stock to capitalize on the growing demand for telehealth services. The company has been growing fast through acquisitions and remains well positioned to deliver stellar financials and operating performances in the coming years.

Looking ahead, the favourable industry trends, acquisitions, strength in the Canadian market, expansion in the U.S., and the large addressable market will likely drive WELL Health stock higher. Further, WELL Health remains on track to deliver positive adjusted EBITDA, which is encouraging and will likely support its stock.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Investing
5. Tech Stocks

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. NYSE:BMO (Bank of Montreal)
3. TSX:BB (BlackBerry)
4. TSX:BMO (Bank Of Montreal)
5. TSX:DND (Dye & Durham Limited)
6. TSX:GSY (goeasy Ltd.)
7. TSX:WELL (WELL Health Technologies Corp.)

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