FIRE SALE: 2 Telehealth Stocks That Could Make You Rich This Decade

Description

Health care has been a strong target for investors since the beginning of this decade. The COVID-19 pandemic led to transformative change in and outside this space. Most workers are well acquainted with **Zoom** meetings since the beginning of the pandemic. However, healthcare workers have also been forced to give consultations remotely. This has led to the rise of telehealth.

Telehealth involves the use of digital information and communication technologies to access healthcare services remotely. This year, *Fortune Business Insights* projected that the global telehealth market would reach US$636 billion by 2028. That would represent a very strong CAGR of 32% from 2021 through the end of the forecast period. Today, I want to look at two stocks in this space that could make investors rich by the end of the 2020s. Let's dive in.

Here's a top telehealth stock that is coming off a banner 2020

WELL Health (TSX:WELL) is a Vancouver-based company that owns and operates a portfolio of primary healthcare facilities in Canada and the United States. Last summer, I'd discussed why this telehealth stock was worth holding onto for the long term.

Shares of WELL Health started strong in 2021, hitting an all-time high of $9.84. However, the stock has lost momentum since then. WELL Health has slipped 14% in 2021 as of close on October 28. Fortunately, this provides a fantastic buy-low opportunity for investors.

The company released its second-quarter 2021 results on August 12. It delivered record revenues of $61.8 million in the second quarter — up a whopping 484% from the previous year. WELL Health was bolstered by its acquisition of CRH Medical. Meanwhile, its adjusted gross profit jumped 615% to $30.2 million. Moreover, it achieved positive adjusted EBITDA of $11.9 million compared to an adjusted EBITDA loss of $0.5 million in the second quarter of 2020. In Q3 2021, WELL Health reported a 72% increase in mental health visits.

This telehealth stock is trading in favourable value territory relative to its industry peers. It has delivered massive revenue and earnings growth in consecutive quarters.

This recent IPO looks undervalued after a rough start

Dialogue Health (TSX:CARE) made its debut on the TSX in late March. This company operates a digital healthcare and wellness program in Canada. Shares of this telehealth stock have plunged 60% over the past six months. It has more than halved from the record high it briefly reached following its IPO. I'd suggested that investors scoop up Dialogue Health in August.

In Q2 2021, the company delivered annual recurring and reoccurring revenue growth of 96% compared to the previous year. This was driven by some promising customer wins, which included an international law firm, a global financial services provider, and a large distributor of electrical material. Its members increased 90% to nearly 1.5 million.

This telehealth stock last had an RSI of 28. That puts Dialogue in technically oversold territory.

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Date
2025/08/23
Date Created

2021/10/31
Author
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