



3 Top Under-\$10 Stocks to Buy Right Now

Description

Despite the concerns over rising inflation, a slowdown in growth amid supply chain headwinds, and the withdrawal of quantitative easing measures, the Canadian equity markets have continued their uptrend, with the **S&P/TSX Composite Index** trading close to 22% higher for this year. Investors' optimism over improving corporate earnings appears to have supported the equity markets' growth. Amid a bullish environment, here are three top under-\$10 Canadian stocks that you can buy right now to earn superior returns.

Aurora Cannabis

Despite the recent weakness in the cannabis sector, I have chosen **Aurora Cannabis** ([TSX:ACB](#))([NYSE:ACB](#)) as my first pick. The company has acquired around 20% of the market share in the high-margin medical cannabis segment. Now, the company is increasing its resource allocation to the segment to further strengthen its position. Additionally, it is focusing on expanding its product offerings, strengthening its supply chain, and entering new markets to improve its presence in the international markets.

Meanwhile, Aurora Cannabis is also focusing on improving its recreational sales by launching high-potency and premium products. Along with these initiatives, the company's cost-reduction initiatives could boost its financials in the coming quarters.

Also, the company's management has announced that it is on track to report a positive adjusted EBITDA, which is encouraging. Despite its healthy growth prospects and [improving financials](#), the company is trading at over a 60% discount from its February highs. So, I believe investors should use the correction to [accumulate the stock to earn superior returns](#) over the next three years.

Goodfood Market

Second on my list would be **Goodfood Market** ([TSX:FOOD](#)), which has witnessed a steep correction over the last 10 months and currently trades close to 50% lower than its January highs. The concerns

over its high valuation and the reopening of the economy have weighed on its stock price. However, the steep correction provides an excellent buying opportunity for long-term investors.

The growing adoption of online grocery shopping has created a long-term growth potential for the Goodfood Markets. Meanwhile, the company is also focusing on broadening its product offerings, venturing into new markets, strengthening its last-mile delivery service, and improving its online experience to increase its market share.

Also, its investment in automation and increasing production capacity could support its growth. Additionally, the company is building a customized solution in partnership with **Microsoft**, which could increase the processing speed of customer orders while reducing expenses.

WELL Health Technologies

WELL Health Technologies ([TSX:WELL](#)) focuses on leveraging technology to improve healthcare service in Canada and the U.S. After witnessing a stellar growth of over 1400% in the last three years, WELL Health's stock price has corrected around 16% this year. Meanwhile, the company's growth prospects look solid amid the rising adoption of telehealthcare services. Also, its strategic acquisitions are beginning to pay off, given the significant improvement in its financials.

Supported by its recent acquisitions, WELL Health's proforma annualized revenue and adjusted EBITDA run rate have reached US\$400 million and US\$100 million, respectively. Its recent acquisitions are growing at a healthy pace, with CRH Medical expected to deliver US\$40 million of cash flows this year while MyHealth is on track to post US\$20 million of cash flow next year.

Given its favourable business environment, improving financials, and accretive acquisitions, I am bullish on WELL Health.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. TSX:ACB (Aurora Cannabis)
3. TSX:FOOD (Goodfood Market)
4. TSX:WELL (WELL Health Technologies Corp.)

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