



## 3 Top Small-Cap Stocks to Buy Right Now

### Description

### Key points

- Small-cap companies will have their market capitalization falling between \$300 million and \$2 billion.
- These companies have significant scope for expansion and can deliver superior returns in the long run.
- However, these companies are riskier than large-cap and mid-cap stocks, as these companies are highly susceptible to market volatilities. So, investors with the higher risk-taking ability and longer investment time frame can buy these stocks.

## Aurora Cannabis

Amid weakness in the cannabis sector, **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) has lost over 64% of its stock value over the last 10 months. Despite the near-term weakness, [I am bullish on Aurora Cannabis](#), given its expanding addressable market due to increased legalizations, improving financials, and strategic acquisitions.

In its recently reported [first-quarter earnings](#), Aurora Cannabis's total revenue declined by 11% amid weak sales from its recreational cannabis segment. However, its adjusted EBITDA losses decreased from \$58.1 million in the previous year's quarter to \$12.1 million. The cost-reduction initiatives and improvement in gross margins due to increased sales contribution from higher-margin medical cannabis sales lowered its losses.

Meanwhile, Aurora Cannabis's outlook looks healthy, as it continues to focus on strengthening its position in the medical cannabis market by allocating more resources, launching new products, and venturing into new markets. Meanwhile, in the recreational cannabis market, the company is only focused on higher THC content and premium products. It has signed an agreement to acquire a significant stake in a Netherland-based cannabis company, Growery. So, the company's growth

prospects look healthy.

## Goodfood Markets

Second on my list is **Goodfood Market** ([TSX:FOOD](#)), an online grocery and meal-kit delivery company. The company has been under pressure this year, as investors grew skeptical over its growth prospects amid the reopening of the economy. So far this year, it has lost 65% of its stock value. However, I believe the steep correction offers an excellent buying opportunity, given its healthy growth prospects.

The growing adoption of online shopping has created a long-term growth potential for Goodfood Market. The company is boosting its production and delivery capabilities to meet the rising demand. It plans to build 13 fulfillment facilities across Canada to increase its delivery speed while providing Canadians with more product choices. Meanwhile, the company has recently launched an on-demand one-hour-or-less delivery service in Toronto and plans to expand it to Montreal in the coming days. So, it has significant growth potential.

Meanwhile, amid the recent selloff, its valuation has also declined to attractive levels, with its forward price-to-sales standing at 0.8. So, I believe Goodfood Market would be an excellent buy for long-term investors.

## Savaria

Third on my list is **Savaria** ([TSX:SIS](#)), which has outperformed the broader equity markets by delivering impressive returns of 37.1% for this year. Its strong quarterly performances and the acquisition of Handicare appear to have increased investors' confidence, driving its stock price higher.

Meanwhile, amid the rising aging population and increasing income levels, the demand for accessibility solutions is rising, benefiting Savaria. The company is launching new products and solutions and expanding its geographical footprint to drive growth. Meanwhile, the acquisition of Handicare could increase its operating efficiency, improve product design, and provide cross-selling opportunities.

Also, Savaria's valuation looks attractive, with its forward price-to-sales, and forward price-to-earnings multiples standing at 1.7 and 23, respectively. It also pays a monthly dividend, with its forward yield standing at 2.47%. So, given its high growth prospects, attractive valuation, and healthy dividend yield, Savaria would be an excellent addition to your portfolio.

## CATEGORY

1. Investing
2. Tech Stocks

## TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. TSX:ACB (Aurora Cannabis)
3. TSX:FOOD (Goodfood Market)
4. TSX:SIS (Savaria Corporation)

## **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

## **PP NOTIFY USER**

1. kduncombe
2. rnanjapla

## **Category**

1. Investing
2. Tech Stocks

## **Date**

2025/06/29

## **Date Created**

2021/11/23

## **Author**

rnanjapla

default watermark

default watermark