



## 3 Under \$5 Stocks I'd Buy for Serious Growth

### Description

There are certain thresholds when it comes to both pricing and valuation that most careful Canadian investors prefer to stay above. From a price perspective, some investors are a bit wary of companies that are trading at less than \$5 per share. But the small price tag can actually be in your favour, especially if you are looking into prospective growth stocks.

And there are three stocks under \$5 that you should consider looking into.

### A cannabis stock

Cannabis stocks might make a strong comeback if the U.S. legalizes the substance on a federal level. And when that optimism hits the market, most marijuana stocks, from large international players to relatively [small cannabis companies](#) like **The Valens** ([TSX:VLNS](#)), are likely to explode. Valens is different from many other cannabis **TSX** stocks because it's more of a B2B company than a B2C one, directly dealing with the consumers.

This B.C.-based company offers cannabis products two primary solutions to authorized producers: Crude oil and refined oil. It also allows cannabis producers to take advantage of their white-label offering and their amazing facilities and has a third-party testing business. So cannabis producers who need to comply with Health Canada's directions can leverage their services. In the last five years, the stock has spiked over 100% three times.

### A tech stock

**Computer Modelling Group** ([TSX:CMG](#)) is currently trading at \$4.6 per share, which is less than one-third of its peak valuation in 2014. [The company](#) is suffering from its reliance on the energy sector as its primary clientele. It offers simulations for reservoirs, which allows energy businesses to find (or discover AI-based) effective solutions for making the best of their reservoir.

The company hasn't yet expanded out to other domains, and as the oil business "dries up," the

company may find itself with less and less business every year. However, if the company puts its skills and expertise and explores different business segments, it has the potential to reach or go beyond its glory days.

## A mineral exploration company

**Talon Metals** ([TSX:TLO](#)) can be a great pick if you want to go farther into the \$5 range. The company is currently trading at \$0.6 per share as of writing. It's a growth stock that has already paid off well for investors that had the foresight to add it to their portfolios at or before 2019 because the stock has risen over 680% since then.

The company mines nickel, cobalt, and copper, though nickel is its primary focus. Its Tamarack Nickel project has 3.9 million tons of nickel (indicated) and about 7.1 million inferred. By becoming a major low-cost nickel producer in the U.S., the company is trying to become a major player in the U.S. battery industry.

## Foolish takeaway

The three [growth stocks](#) trading under \$5 have potential enough to easily climb to the double-digit price tag, which is easily 100% growth (more than 1,000% for Talon). The companies are well-positioned and lightweight enough to take advantage of certain market dynamics (respective to their industries) and offer some serious growth to their investors.

### CATEGORY

1. Investing
2. Metals and Mining Stocks
3. Tech Stocks

### TICKERS GLOBAL

1. TSX:CMG (Computer Modelling Group Ltd.)
2. TSX:VLNS (Valens)

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