3 Top Under-$10 Canadian Stocks to Buy Today

Description

The stock price is often conversely related to the "value." That means many single-digit stocks can be quite overvalued, while even stocks with a three-digit price tag can be reasonably priced or even underpriced. And the price tag also doesn't indicate a stocks' true capital appreciation potential.

Still, if the stock price *is* the criteria you are going with for now, and you want to buy stocks that are trading below the $10 mark, three stocks should be on your radar.

A gold stock

Kinross Gold (TSX:K)(NYSE:KGC) is one of the top gold stocks currently trading on the TSX. It's not from the upper echelon, but it offers decent growth potential than many of the largest gold companies in Canada. You could have easily grown your capital by 200% in the last five years if you had exited the position at the right time (the post-pandemic peak).

Kinross also offers a dividend yield of 2.3%, which might not seem like much, but it's uncharacteristically high for the sector the company is in. The stock is currently trading at $6.4 per share, and it's also quite attractively valued, with a price-to-earnings multiple of 6.3 times.

Gold can be held as a good contrarian stock, and you can do well by buying into the company when it has hit rock bottom (relatively) and selling when it peaks during market downturns, offsetting your other losses.

A healthcare company

The pandemic, which was a very rough phase for most of the market, actually pushed many healthcare stocks much higher than they would have been able to reach continuing on their pre-pandemic course. One of these stocks was **WELL Health Technologies** (TSX:WELL). The company grew by almost 550% between the market crash valuation and the 2021 spike.

But the company is good for more than just market-driven spikes. It's one of the largest telehealth companies in Canada and is growing its presence in the United States. The business model has been gaining momentum post-pandemic, and it's likely to become more mainstream with demand and revised health insurance contracts, as different techs and the cost and efficiency of remote consults improve the telehealth model.

A niche real estate company

StorageVault Canada (TSXV:SVI) owns and operates storage spaces across Canada. It owns over 150 stores and operates 50 others for a third party. It also has about 4,600 portable storage units in its portfolio. The company operates through multiple brands and has clear dominance in the country as far as storage spaces are concerned.

The leadership position has allowed the company to consolidate a lot of territory through organic growth and acquisitions in this niche real estate segment. This is reflected in its financials, which have been on the rise for the past several quarters, as well as the stock, which has grown over 383% in the last five years alone. The 10-year CAGR of 41% puts it among the top growth stocks in the country.

Foolish takeaway

Kinross is currently an undervalued stock, but the other two aren't. StorageVault is actually quite overpriced, but if the company can maintain its growth rate for just one more decade, the overvaluation should not deter investors from this stock.

CATEGORY

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1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:K (Kinross Gold Corporation)
3. TSX:SVI (StorageVault Canada Inc.)
4. TSX:WELL (WELL Health Technologies Corp.)

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Date
2025/07/20
Date Created
2021/12/17
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