3 Cheap Stocks to Buy Before 2022

Description

Investors looking for stocks that could produce market-beating growth rates don't need to buy the most expensive stocks on the market. Of course, I'm of the camp that believes you can't go wrong buying shares of **Shopify** or **Constellation Software**. However, if you don't have thousands of dollars at your disposal, it'll be very difficult to buy shares of those companies. In this article, I'll discuss three cheap stocks to buy before 2022.

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A bet on the e-commerce industry

I'm very bullish on the e-commerce industry. It's not hard to see that consumers have turned to online shopping in a major way over the past two years. From 2019 to 2020, e-commerce's penetration of the Canadian retail industry nearly tripled, jumping from 4% to roughly 11%. This is also true when it comes to purchasing groceries. Companies providing online grocery services have seen a major boost in revenue ever since the start of the pandemic. A great example is **Goodfood Market** (TSX:FOOD).

In fiscal year 2019, Goodfood recorded $161 million in revenue. That was already a major increase from the company's revenue of $20 million in 2017. This past year, Goodfood has recorded $379 million in revenue. This has occurred due to a rapidly growing catalogue of products and sustained customer traffic. Goodfood aims to bring same-day delivery to major cities like Ottawa and Vancouver soon. That could boost this $4 stock to new heights if the company is successful.

A stock for investors with a high risk tolerance

If you're willing to invest in a riskier company, consider buying shares of **WELL Health Technologies** (TSX:WELL). The reason I think this is a riskier play is because the telehealth industry is still very early in its development. We have no idea what the industry will look like next year, let alone a decade from now. However, we do know that the need for telehealth solutions is only increasing. This is also a risky investment due to the immense competition that exists in the space.

However, if you can get past those worries, then WELL Health may be an investment for you. The company operates primary health clinics across Canada and the United States. It also offers an online marketplace where healthcare providers can obtain software solutions for their own businesses. WELL Health is a very small company in terms of market cap, so it'll have a tough hill to climb. However, it does have a solid history of market outperformance, going back to its days on the **TSXV**.

This stock is relatively cheap

Finally, investors should consider adding **Topicus.com** (TSXV:TOI) to their portfolios. This stock is much more expensive relative to the first two companies, as it trades around $114 as I write this article. However, that's still nearly a 20% discount from its all-time highs and much cheaper than growth stocks like Shopify and Constellation Software.

Fans of Constellation Software should already be familiar with this company. Until this past February, Topicus was a subsidiary of Constellation Software. It operates a similar business, acquiring VMS companies but focuses solely on the European market. What interests me about this company is the fact that Constellation still has a large presence in Topicus's day to day activities. I believe this connection to one of the **TSX**'s best-performing stocks will be a big help in seeing Topicus grow at a high rate over the next decade.

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2. TSX:WELL (WELL Health Technologies Corp.)
3. TSXV:TOI (Topicus.Com Inc.)

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