4 Dirt-Cheap Growth Stocks I'd Buy Today

Description

North American markets passed through a very shaky final week in April. The **S&P/TSX Composite Index** dropped another 67 points on May 2. Investors will need to make some tough decisions in this crucial month. Should you obey the cliché and "sell in May and go away?" Or is it more prudent to jump on the many discounts available right now? Today, I want to pursue the latter path.

Below are four growth stocks that look undervalued to kick off the month of May. Let's dive in.

I'm still bullish on this undervalued growth stock for the long haul

Back in November 2021, I'd looked at stocks that were ideal for a millennial investor. I'd suggested that **ATS Automation** (TSX:ATA) was a growth stock worth trusting for the long haul. This Cambridge-based company provides automation solutions to an international client base. Its shares have plunged 26% in 2022 as of close on May 2.

Investors can expect to see its fourth-quarter and full-year fiscal 2022 results on May 19. In the first nine months of fiscal 2022, ATS Automation has delivered revenue growth of 53% to $1.57 billion. Adjusted EBITDA rose to $244 million compared to $141 million in the year-to-date period in fiscal 2021.

Shares of this growth stock last had an RSI of 26. That puts ATS Automation in technically oversold territory.

Don't sleep on this reeling retailer in 2022

Sleep Country Canada (TSX:ZZZ) is a Toronto-based company that is engaged in retailing mattresses and bedding-related products across Canada. Shares of this growth stock have dropped 33% in the year-to-date period. This has pushed the stock into negative territory in the year-over-year period.

In 2021, Sleep Country delivered revenue growth of 21% to $162 million. Meanwhile, adjusted net income jumped 37% to $26.7 million. I'd suggested that investors snatch up Sleep Country on the dip earlier in the year. This growth stock possesses an attractive price-to-earnings (P/E) ratio of 10. It is also trading in oversold levels with an RSI of 29.

Here's another struggling growth stock to consider buying on the dip

Equitable Group (TSX:EQB) is a top Canada housing stock that has been hit hard by turbulence in the spring. Some analysts fear that rising interest rates and other factors will lead to a sharp correction for the Canadian real estate sector. Shares of this growth stock have plunged 20% so far in 2022. This has pushed its shares into the red in the year-over-year period.

The company put together a very strong 2021 on the back of a red-hot Canada housing market. Regardless, this growth stock still possesses a very attractive P/E ratio of 6.8. It last had an RSI of 24, putting Equitable Group in technically oversold territory.

This is another discounted growth stock worth your attention

Bausch Health (TSX:BHC)(NYSE:BHC) is the fourth discounted growth stock I'd look to snatch up in the beginning of May. This Laval-based company is engaged in the development, manufacture, and marketing of pharmaceutical, medical devices, and over-the-counter (OTC) products in therapeutics areas of health. Its shares have declined 30% in the year-to-date period.

Total revenues rose 5% to $8.43 billion compared to $8.02 billion in 2020. Shares of this growth stock possess an RSI of 27 at the time of this writing. That also puts Bausch Health in technically oversold levels.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BHC (Bausch Health Companies Inc.)
2. TSX:ATS (Ats)
3. TSX:BHC (Bausch Health Companies Inc.)
4. TSX:EQB (EQB)
5. TSX:ZZZ (Sleep Country Canada)

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. aocallaghan
2. kduncombe

Category

1. Investing

Date
2025/09/10
Date Created
2022/05/03
Author
aocallaghan