



## The 4 Best Canadian Stocks Under \$10 to Buy Today

### Description

Canadian [small-cap](#) stocks have been taking a serious hit in 2022. As the **TSX** stock market has continued to decline, plentiful opportunities are showing themselves. Here are four bargain-priced Canadian stocks trading under \$10 per share today.

### A Canadian ESG stock

**H2O Innovation** ([TSXV:HEO](#)) is becoming a leader in water infrastructure services across the world. When I think of one of the most important resources in the world, it is fresh water. Unfortunately, there is a major deficiency in many parts of the world.

That presents a huge long-term opportunity for H2O. It provides filtration, purification, and wastewater recycling services for utilities, municipalities, and corporations.

After a recent 20% decline, this [ESG stock](#) trades for \$2.08 per share. It only has a market capitalization of \$187 million. Revenue and profit growth are expected in the mid- to high-teens range. However, this Canadian stock only trades for a relatively cheap enterprise value-to-EBITDA (EV/EBITDA) ratio of 10.

### A solid dividend-paying energy stock

Another interesting resource stock with a renewable theme is **Whitecap Resources** ([TSX:WCP](#)). Yes, it is a mid-cap Canadian oil and gas producer. However, the company has carbon dioxide sequestration segment that makes its overall operations net carbon negative.

With global oil prices trading consistently above US\$100 per barrel, Whitecap has been producing impressive results. In its first-quarter 2022 results, it grew oil production by 38%! Likewise, it saw free cash flow per unit increase 254% to \$0.46. That's a near 5% free cash flow yield in just one quarter!

At \$10 per unit, this stock pays an attractive 3.6% dividend. That will likely keep rising if the energy

environment remains robust.

## A top real estate stock

Another Canadian stock that provides a solid mix of growth, income, and value is **European Residential REIT** ([TSX:ERE.UN](#)). It trades for \$4.65 per unit, and it has a market cap of \$416 million. Despite becoming one of the largest residential landlords in the Netherlands, this stock trades at a severe discount to other European and Canadian apartment peers.

Yet, it has been demonstrating very solid cash flow growth of about 10% over the past few years. The housing market in the Netherlands is very tight, so European Residential enjoys high occupancy and steady rental rate growth. Likewise, tenants are responsible for almost all property costs, so this REIT has very limited inflation-cost risk.

Today, this Canadian stock pays a 3.4% dividend. It just increased its monthly dividend by 8%, and chances are good the dividend will keep growing into the future.

## A cheap Canadian tech stock

If you are looking for cheap Canadian technology stocks, there are plenty to be found today. **Sangoma Technologies** ([TSX:STC](#))([NASDAQ:SANG](#)) is definitely one to have on your radar. Nearly a year ago, this stock was trading for close to \$30 per share. Today, it trades for \$10.50 per share.

Sangoma is a leader in unified communication technology solutions. It takes a one-stop-shop approach, providing a broad array of communications services for small- to medium-sized businesses. Despite its stock decline, its business has [performed very well](#) through the pandemic.

Through several significant acquisitions, it expects to grow revenues and EBITDA by +70% in 2022. While long-term growth is likely in 15-20% range, this Canadian stock is ultra-cheap with an EV/EBITDA of only 5.7.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NASDAQ:SANG (Sangoma Technologies Corporation)
2. TSX:ERE.UN (European Residential Real Estate Investment Trust)
3. TSX:STC (Sangoma Technologies Corporation)
4. TSX:WCP (Whitecap Resources Inc.)

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