



3 Promising U.S. Stocks to Buy With \$100 Right Now

Description

Canadian investors intending to boost their investment returns by buying highly promising U.S. stocks are spoilt for choice, as they navigate a deeply liquid and widely diversified American stock market. Here are three high-conviction U.S. stocks investors could buy with an allocation as small as \$100 right now.

Geographically [diversifying](#) one's investments is commendable for risk management and return enhancement. Semiconductors, renewable energy stocks, and other large-cap growth names may be underrepresented on the TSX but are widely available in the United States stock market. Let's have a look at three highly promising American-listed investment opportunities right now.

ON Semiconductor

ON Semiconductor ([NASDAQ:ON](#)) is one of the largest semiconductor stocks to buy right now. It touts strong revenue and earnings growth momentum, high-quality profits, and outperforming stock price growth momentum, yet it looks fairly valued at current market prices.

The company manufactures power semiconductors and sensors focused on the automotive and industrial markets. It is a leading maker of power chips and automotive image sensors globally. ON's increased focus on a fast-growing electrical vehicle (EV) market, EV charging, industrial automation, and renewable energy verticals could help sustain its strong revenue and earnings-growth momentum.

ON Semiconductor has grown earnings at an average compound annual growth rate (CAGR) of 41.4% over the past five years. Operating income has increased by 36% annually during the past half-decade. Wall Street analysts project a robust 17.6% earnings-growth rate over the next five years.

Most noteworthy, ON stock has returned 215% in capital gains over the past two years. However, shares remain fairly valued, given a forward-looking price-to-earnings (P/E) multiple of 14.2. A \$100 investment in ON stock carries a huge promise for outperforming investment gains over the long term, and government subsidies from the U.S. CHIPS and Science Act may provide cheap growth capital.

Sociedad Quimica Y Minera de Chile (SQM)

Leading lithium miner and commodities producer **Sociedad Quimica y Minera de Chile** ([NYSE:SQM](#)) is a U.S.-listed EV battery materials stock to buy and hold for long-term capital gains and juicy dividend yields.

SQM produces lithium and fertilizers, among other commodities, that should enjoy strong demand growth after the macroeconomic headwinds and recession fears of 2022.

The company managed to grow its revenue and earnings by 25% and 41% per annum, respectively, over the past five years. Wall Street analysts project a strong 40.6% CAGR in SQM's earnings per share over the next five years.

SQM stock has soared 113% so far this year. However, shares remain undervalued given a low forward P/E multiple of 10.2 on next year's earnings estimate. A forward-looking price-to-earnings-to-growth (PEG) multiple of 0.2 implies that SQM stock is significantly undervalued relative to the company's earnings-growth potential. A fairly valued stock should ideally spot a PEG of one.

If your [online brokerage firm](#) can let you buy fractional shares of U.S. stocks, a small investment of \$100 in SQM could generate respectable gains over time. As a bonus, the company pays growing regular dividends that currently yield 10.2% annually.

Canadian Solar

Canadian Solar ([NASDAQ:CSIQ](#)) is a fast-growing renewable energy-focused growth stock that growth-seeking Canadian investors can buy today for its strong growth outlook, strong earnings margins, and fair valuation multiples.

The company manufactures high-quality photovoltaic modules (solar panels), solar power systems, and battery storage systems. Its solar panels have gained brand popularity and trust in both developed and emerging markets.

Canadian Solar reported a 62% year-over-year revenue growth to US\$2.3 billion during the second quarter of 2022. The company guides for a 45% year-over-year growth in solar module shipments and a 100% surge in battery storage shipments in 2022. The company's growing order backlog supports a sustained revenue and earnings-growth outlook.

Canadian Solar stock has nearly doubled over the past three years. Returns include a 45% rally so far this year. Shares remain fairly valued given a forward P/E multiple of 11.9. Wall Street analysts project a respectable 12% average earnings-growth rate over the next five years.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:CSIQ (Canadian Solar Inc.)
2. NASDAQ:ON (ON Semiconductor)
3. NYSE:SQM (Sociedad Quimica y Minera de Chile S.A.)

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