



3 Stocks Under \$5 to Buy for 2019

Description

The big sell-offs we saw happen towards the end of 2018 have created many great buying opportunities for 2019. Below are three stocks that ended the year under \$5 a share and that could have a lot of upside in 2019.

Corus Entertainment Inc. ([TSX:CJR.B](#)) declined nearly 60% in 2018 and is now well below its book value, trading at a multiple of just 0.7. While it did have some challenging quarters, only one of the past five was in the red as the stock has generally provided some solid stability for investors. With a lot of quality content in its portfolio and good cash flow, Corus is a stock that's not in any imminent danger.

Last year, it was a [poor quarter](#) out of the gate that set the tone for the rest of the year. If Corus starts 2019 with a good earnings report, which is expected to be released in the second week of January, then we could see a big reversal take place. And with a lot of bad news already priced into the stock, I suspect it won't take much for the stock to get a boost from even just a decent quarter.

Hexo Corp ([TSX:HEXO](#)) is around the same price as Corus, and its trajectory could be just as high. This year could be a big one for Hexo and other pot stocks as edibles are expected to be legalized later this year. And with Hexo having a [deal](#) in place to develop drinks with **Molson Coors Canada**, it could cash in on the hype that's likely to surround cannabis-infused drinks.

Hexo was up 15% during 2018 although in the latter three months of the year it dropped more than 46% in share price. Investors were down on marijuana stocks as a whole, but legalization of edibles could generate another wave of bullishness in the industry.

The company had an encouraging showing in its Q1 results which included a big boost from recreational sales, and if that trend continues for 2019, the sky is the limit for Hexo's stock price.

Westport Fuel ([TSX:WPRT](#))([NASDAQ:WPRT](#)) had a disastrous 2018 and was the worst-performing stock on this list, losing more than 61% of its value during the year. Although the company might have great long-term ambitions of providing cleaner and more efficient engines, poor financials have weighed on the stock's performance.

While there are definitely concerns as the company has accumulated losses in each of its past four quarters, it has continued to show steady growth over the years. And with longer-term trends suggesting that there is strong demand for more environmentally-friendly technologies, Westport is a stock that could be a good long-term bet.

Trading at a price-to-book multiple of just 1.8, investors won't be paying a premium for the stock. It's coming off a 52-week low and prior to that it hadn't been trading lower since early 2017. Westport might be a bit riskier than the other two stocks on this list, but I wouldn't expect it to slide much further from where it is today.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:WPRT (Westport Fuel Systems Inc.)
2. TSX:CJR.B (Corus Entertainment Inc.)
3. TSX:HEXO (HEXO Corp.)

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Date

2025/08/26

Date Created

2019/01/02

Author

djagielski

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