



3 Top Stocks Under \$20

Description

I'm going to keep this short and sweet. In such a market downturn, there are a tonne of opportunities out there to make big bucks off some stable stocks. If you're looking to invest for the long term, now is the time to buy these three stocks while they remain under \$20 per share.

AltaGas

AltaGas ([TSX:ALA](#)) has become one of the top stocks to own in 2019. Its most recent earnings reports produced stellar results, with the company exceeding analysts' expectations by millions of dollars.

Yet despite this great news, the company is far and away from its 52-week high of about \$28 per share, trading at \$17.76 at the time of writing. That should change dramatically in the next 12 months, getting back to that 52-week high by this time next year.

That will likely come with continued improvements to the oil and gas industry, but also with the company's 50% cash flow payout ratio, selling of about \$2 billion in assets, \$1 billion in capital growth projects, and reducing debt. Never mind a solid dividend yield of 5.43%.

Canfor

Canfor ([TSX:CFP](#)) is in for a [huge increase](#) over the next few years. As homebuilding makes a comeback after a decade, so too should this company, reaching a peak by 2022. But it's not like this company has been struggling in the meantime.

Canfor has been reinvesting and waiting for this housing recovery, including setting up shop in the U.S. to get away from U.S. tariffs and the mountain pine beetle of British Columbia forests.

The stock is currently trading at around \$14 per share, but in the next 12 months that could reach \$20 per share. That's still a far climb away from its peak performance in 2018 at about \$32 per share. Even during this housing downturn, the company has produced \$5.04 billion in sales, earnings of \$1.03 billion, and net income of \$488.4 million for 2018.

Husky

Husky Energy (TSX:HSE) is a true bargain right now. Currently, it's in a transition process towards a low-sustaining capital production, which could grow from 8% of total production to about 55% by the end of 2019. This improved efficiency on the oil sands means the company will be a serious competitor in the industry.

Beyond that, its midstream and downstream operations account for 30% of the company's EBITDA, helping mitigate the market volatility that's happening right now. This ownership helps the company control production and reduces overall costs to make more money. And it's not like it isn't making any now. Its last earnings reported \$959 million in funds for Q1, net earnings of \$328 million, and free cash flows of \$147 million.

Basically, this stock remains overlooked by many investors who don't appreciate its integration and stable cash flow, but it is quite the opportunity right now for long-term investors. In the next 12 months, we could see this stock reach \$21 per share — numbers not seen since 2015.

Bottom line

There are a lot of opportunities out there right now, but if you're looking for long-term growth stocks that you'll be glad you bought way back when, you couldn't do much better than these three.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ALA (AltaGas Ltd.)
2. TSX:CFP (Canfor Corporation)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date

2025/08/14

Date Created

2019/05/04

Author

alegatewolfe

default watermark

default watermark