3 Tech Stocks Under $15 to Buy Today

Description

The S&P/TSX Composite Index rose 33 points on May 15. Canadian stocks have faltered in May along with the broader global market during a worsening trade dispute between the United States and China. The heavily weighted materials, energy, and financial sectors have all suffered over the past two weeks. Today, we are going to look at three equities in one of the smaller weightings: the tech sector.

The e-commerce giant **Shopify** has dominated headlines in the tech sector, but it boasts a sky-high valuation. Below are three tech equities that are priced below the $15 mark. Let's dive in.

BlackBerry (TSX:BB)(NYSE:BB)

BlackBerry stock has climbed 18.6% in 2019 as of close on May 15. The stock is still down 23% from the prior year. Back in January, I'd argued that BlackBerry was a steal priced under the $10 mark. Its most recent quarterly report should inject investors with more enthusiasm, even if it is not quite the value pick it was to start the year.

Shares surged following the release of BlackBerry's fourth-quarter and full-year report for fiscal 2019. CEO John Chen unveiled the company's FY 2020 outlook, which included a forecast of revenue growth between 23% and 27%. BlackBerry is well positioned to post revenue growth on the back of its cybersecurity segment, which was greatly bolstered by its $1.4 billion acquisition of Cylance. It plans to integrate Cylance into its QNX offering.

BlackBerry is still trading at the lower end of its 52-week range. Shares had an RSI of 38 as of close on May 15, which puts the stock close to technically oversold territory in mid-May.

TeraGo (TSX:TGO)

TeraGo is an Ontario-based company that provides businesses across Canada with data and voice communications services as well as other specialized services. Shares have surged 13.2% in 2019 as of close on May 15. The stock has soared 110% from the prior year.

The company released its first-quarter 2019 results on May 8. Total revenue fell 9.8% year over year to $12.4 million, primarily due to a 12.3% drop in connectivity revenue. However, adjusted EBITDA climbed 46.7% to $4.6 million on the back of the adoption of IFRS 16, which led to the reclassification of certain operating lease expenses. TeraGo is well positioned for long-term growth ahead of the 5G rollout, which will provide huge opportunities for the company.

TeraGo climbed to all-time highs after its earnings release, but the stock is still short of technically oversold territory as of close on May 15.

Celestica (TSX:CLS)(NYSE:CLS)

Celestica is an electronic manufacturing service company that provides a wide range of services. Shares of Celestica have dropped 20.2% in 2019 as of close on May 15. The stock has plunged 38% from the prior year.

The company released its first-quarter 2019 results on April 25. Revenue was reported at $1.43 billion, which came below Celestica's Q1 2019 guidance that ranged from $1.45 billion to $1.55 billion. Free cash flow climbed to $144.7 million compared to negative cash flow of $34.1 million in Q1 2018. This increase was due to the sale of its Toronto real property.

Celestica's Q2 2019 guidance is largely unchanged from its Q1 2019 guidance. The company is facing challenges in key end markets that it hopes to mitigate as it undergoes its transformation strategy. Fortunately, the company is forging ahead with a healthy balance sheet.

The stock is currently trading at the low end of its 52-week range. Shares had an RSI of 29 as of close on May 15, which puts it in technically oversold territory. Celestica is facing more near-term challenges than the above two equities, but also offers the best value for those betting on a rebound.

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1. Investing
2. Tech Stocks

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2. NYSE:CLS (Celestica Inc.)
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