3 Stocks Under $5 That Could Be Great Buys Today

Description

When a stock is trading at a low price, there's a lot more room for it to rise than when it's in double or triple digits. The three stocks listed below are all trading below $5 and could generate good returns for investors that buy right now.

Bombardier (TSX:BBD.B) has lost more than a quarter of its value over the past three months, and its stock price is hovering around just $2 a share. While the stock is still not near its 52-week low, it has generally seen strong support at the $2 mark, and its current price point could make it an appealing buy.

Although the company has had its share of problems, it still generated $16 billion in sales last year and expects that number to grow this year. It's a well-known Canadian company that still has a lot of support in the country, and I wouldn't expect the government would let it fail, even if it were close to trouble.

And that's not to say that it is in trouble, as it has still been winning bids on projects. All it needs is a good quarter or big announcement to send the stock up in value. And at just $2, it won't take much of an increase for investors to earn a decent return on the stock.

Crescent Point Energy (TSX:CPG)(NYSE:CPG) is trading at around $4.70 and has been increasing in value this year, up 13% since January. The company is coming off a decent quarter that saw it post a profit for just the second time in the past five reporting periods. More importantly, however, is that the company has generated positive free cash flow for the past four quarters.

And with oil prices showing some stability and others in the industry recording strong results, there's hope that there could be a much bigger rally ahead for the industry. Things could be getting better for Crescent Point, and there may not be a better time for investors to buy the stock given its cheap price today.

Crescent Point, even with the rise in share price, is still trading significantly below its book value and is a bargain buy.

Green Organic Dutchman Holdings (TSX:TGOD) has been a volatile stock over the past year with returns flat for over the past 12 months, but since January it has risen more than 65%. At under $4 a share, this is a good cannabis stock that could see a lot of hype around it later this year when edibles get legalized.

It has technology in place that can help it develop some healthy edible options for cannabis consumers. And while sales have been limited for the company thus far, with $2 million in each of the past couple of quarters, it is starting to gain some momentum. Once the edibles segment is up and running, those numbers are sure to rise in an instant.

The hype around cannabis is still there, and we could see another wave of it in October when both cannabis-infused beverages and food products get into the mainstream.

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Date
2025/08/26
Date Created
2019/05/29
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