



## \$5 and Under Stock Bargains to Buy Right Now

### Description

There are great stock investment prospects on the TSX that are trading for less than \$5. The companies are not the disreputable penny stocks that trick investors into believing grandiose plans with the promise of immense gains.

**Birchcliff Energy** ([TSX:BIR](#)) and **Crescent Point Energy** (TSX:CPG)(NYSE:CPG) are known names on the stock market but are branded as bargain stocks. The stocks can be bought for less than \$5 and you can even decide to keep them for the long haul. Despite the deep discounts, the gains can be so much more than surprising.

### Small-cap with tonnes of potential

Market observers are beginning to take notice of the once highly profitable Birchcliff Energy. From 2015 to 2017, the \$757.9 million intermediate oil and natural gas company reported dismal earnings. But in 2018, there was a resurgence. Net income rose by 317.6% to \$102.2 million.

The stock has seen better days and soared above \$5 last year. At present, the energy stock is trading at \$2.85, which makes it an intriguing buy. If you go by what analysts are projecting, Birchcliff Energy is [due for a breakout](#) in the next 12 months. The price has the potential to exponentially rise by 163.2%.

The recent bounce in net income was somehow anticipated after three consecutive years of decline. Maybe this time the recovery is permanent. But what is tempting is that Birchcliff's cheap price is complemented by a 3.40% dividend yield. For a small investment, you can generate passive income.

### Making a point

Another oil and gas company that's ideal for prospective investors with limited investable funds is Crescent Point Energy. The \$2.2 billion company is into exploration, development, and production of light and medium crude oil and natural gas reserves in Western Canada and the United States.

Crescent Point used to be a high-dividend payer until the company went through a rough patch. Thus, management deemed that major dividend cuts were necessary to ensure continued operations. The five-year annual dividend yield is 6.62%, but the current yield has gone down to 0.78%.

The new management team would probably keep production flat, hoard the cash, and buy back shares. Actually, the company has the infrastructure and production to generate the cash needed to do a buyback.

The [once-glamour stock](#) lost plenty of investors as a result of the dividend cuts. Nonetheless, a price rebound could regain lost glory and bring back investors. Analysts are predicting a breakout, too. Perhaps they believe Crescent's long downtrend is over.

The price is forecasted to sizzle and climb by as much as 185.5% from \$3.10 to \$8.85 in the months. That is not impossible considering the stock has gone as high as \$7.87 with dividends intact.

Investing in dirt-cheap stocks can bring hefty gains for budget-conscious investors. But even if the stocks are selling at ridiculously cheap prices, the objective is not to lose. Hence, choosing the right stocks you can hold longer is important.

## CATEGORY

1. Energy Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:VRN (Veren)
2. TSX:BIR (Birchcliff Energy Ltd.)
3. TSX:VRN (Veren Inc.)

## PARTNER-FEEDS

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

## Category

1. Energy Stocks
2. Investing

## Date

2025/08/25

## Date Created

2019/06/16

## Author

cliew

default watermark