



3 Explosive Stocks Under \$7 to Make Your 1st Million

Description

Hi there, Fools. I'm back to highlight three stocks under \$7 hitting new 52-week lows. While low-priced stocks carry plenty of risks, they can be a source of ideas when looking for

- small, obscure, and ignored companies;
- [dirt-cheap bargains](#); or
- intriguing turnaround situations.

If you have big dreams of turning an average [\\$27K TFSA](#) into a million bucks in 20 years, you'll need an annual return of at least 20% to do it. Although low-priced stocks are on the volatile side, the upside return potential might be worth the risk.

Let's get to it.

Natural choice

Leading off our list is natural gas company **Encana** (TSX:ECA)(NYSE:ECA), which currently sports a lowly price tag of about \$5.75 per share.

Sluggish energy prices and concerns over Encana's debt load have weighed heavily on the stock, providing bargain hunters with possible buying opportunity. Management recently announced plans to buy back as much as \$213 million in additional shares in July, which would complete its previously announced repurchase program of \$1.25 billion.

Encana also reiterated full-year production of 560K-600K boe/day.

"This is part of our sustainable business model which profitably grows liquids, generates free cash and returns significant cash to shareholders through dividends and opportunistic buybacks," said CEO Doug Suttles.

Encana shares are down 27% in 2019 and offer a dividend yield of 1.6%.

Golden nugget

With a stock price of \$5.40 per share, gold producer **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) is our next low-priced idea.

Strong gold prices have already fueled the shares nicely over the past few months, but there might be plenty of room to run. In the most recent quarter, Kinross's earnings topped expectations, as gold equivalent production clocked in at a solid 606K ounces.

More importantly, management says it is right on track to meet its full-year 2019 production guidance of 2.5M ounces, at all-in sustaining costs of \$925/ounce.

"We continue to maintain our financial strength and solid liquidity and are once again well positioned to deliver on our annual production and cost guidance for the year," said CEO J. Paul Rollinson.

Kinross shares are up 22% so far in 2019.

Hexed opportunity

Rounding out our list is marijuana producer **HEXO** ([TSX:HEXO](#))(NYSE:HEXO), which currently has a cheapish price tag of \$6.55 per share.

The stock has been banged up amid the decline in the overall marijuana sector, but aggressive value hunters and growth investors might want to take notice. In the most recent quarter, gross revenue spiked 1,269% year over year, grams sold jumped 142% to 2,689 kg., and over \$54 million was raised through a public offering.

"HEXO's future is very promising, I am looking forward to continually driving shareholder value and achieving milestones with our team," said CEO and co-founder Sebastien St. Louis.

Management continues to target 2020 revenue of \$400 million.

HEXO shares remain up a solid 35% so far in 2019.

The bottom line

There you have it, Fools: three amazing stocks under \$7 worth checking out.

As always, don't see them as formal recommendations. Instead, view them as a starting point for more research. Low-priced stocks are particularly fickle beasts, so plenty of homework is still required.

Fool on.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:HEXO (HEXO Corp.)
2. NYSE:KGC (Kinross Gold Corporation)
3. TSX:HEXO (HEXO Corp.)
4. TSX:K (Kinross Gold Corporation)

PARTNER-FEEDS

1. Msn
2. Newscred
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bpacampara

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