3 Stocks Under $9 to Triple Your TFSA

Description

Hi there, Fools. I'm back to highlight three stocks under $9. While low-priced stocks carry plenty of risks, they can be a solid source of ideas when looking for

- small, obscure, and underfollowed companies;
- dirt-cheap bargains; or
- intriguing turnaround situations.

If you have big dreams of turning an average $27K TFSA into $100,000 in a few years, you'll need explosive returns 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.

Power play

Leading off our list is electricity utility **TransAlta** (TSX:TA)(NYSE:TAC), which currently boasts a stock price of about $8.60 per share.

The phase-out of coal use for electricity has weighed heavily on TransAlta, but recent results suggest that the worst is behind it. Last month, the stock jumped 10% after TransAlta's breakeven EPS topped estimates by $0.08. Meanwhile, revenue climbed 11.4% to $497 million.

Looking ahead, management sees full-year free cash flow guidance of $270 million to $330 million.

"As we look forward, we are seeing improving fundamentals in the Alberta market and continue work to competitively position our Alberta coal assets to deliver our coal-to-gas strategy," said President and CEO Dawn Farrell.

TransAlta shares are now up more than 50% in 2019.

Stinging sensation

With a lowly stock price of about $7.40 per share, music services technologist **Stingray Group** (TSX:RAY.A) is next up on our list.

Stingray shares have slumped over the past year on concerns over slowing growth, providing value hounds with a possible opportunity. In the most recent quarter, net income jumped to $9.2 million as revenue spiked 133%. Meanwhile, adjusted free cash flow increased 229%.

Thanks to that strength, management boosted the quarterly dividend 7.7% to $0.07 per share.

"In the Radio segment, we surpassed the initially expected operational synergies and we anticipate to capture additional ones in the quarters ahead," said President and CEO Eric Boyko. "We are also gaining market share momentum in certain key markets."

Stingray remains off 21% over the past year.

Capping it off

Rounding out our list is oil and gas explorer **Whitecap Resources** (TSX:WCP), which currently sports a lowly stock price of $3.75 per share.

Although the shares have declined sharply over the past few months, Whitecap's recent business update is fueling some optimism on Bay Street. Specifically, BMO maintained its bullish stance on the stock after Whitecap said it plans to cut capital spending by 17% — in turn, maximizing free cash flow — for the second half of 2019.

Meanwhile, management's full-year production guidance remains unchanged at 70K-72K boe/day.

"Whitecap remains in an enviable position with premium assets that can generate significant free funds flow in the current commodity price environment and with a top tier balance sheet," wrote the company in a statement.

Whitecap shares are down 55% over the past year.

The bottom line

There you have it, Fools: three amazing stocks under $9 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. NYSE:TAC (TransAlta Corporation)
2. TSX:RAY.A (Stingray Group Inc.)
3. TSX:TA (TransAlta Corporation)
4. TSX:WCP (Whitecap Resources Inc.)

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Date
2025/07/22
Date Created
2019/09/01
Author
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