



3 Top Stocks Under \$10

Description

There are thousands of stocks trading in the single digits across the major stateside exchanges, and most of them are no good for you. Stocks typically trading with low prices are doing so for a reason, whether they have fallen out of favor or were never in favor in the first place. Don't let that stop you from trying to find the diamonds in the rough. If your aim is true, you can score some of [the market's top stocks](#) at low price points.

Fitbit (NYSE: FIT), **Cloudera** (NYSE: CLDR), and **Lumber Liquidators** ([NYSE: LL](#)) are three of the more promising stocks currently trading below \$10. They have all fallen from lofty levels, but all three investments have the potential to beat the market as they claw their way back into Wall Street's favor.

Fitbit

There's a surprising revival in Fitbit fitness trackers, even if the wearable tech pioneer [hit all-time lows](#) following this summer's mixed financial report. Revenue growth has now been positive for four consecutive quarters. The top-line turnaround was originally the handiwork of Fitbit's value-priced smartwatches, but it's the original trackers that are handling the growth baton with a 51% pop in tracker revenue in the second quarter.

Making trackers relevant has come at the expense of margin-chomping price cuts, but there are worse things than aggressively growing its installed base again. There's also encouraging action overseas for Fitbit, as international sales — now carving out a significant 42% slice of the revenue pie — rose 14% in the company's latest quarter. Guidance does call for a 10% to 15% decline in revenue for the current quarter, so the streak of positive quarterly revenue growth will end at four periods. However, with the stock already up 33% since bottoming out last month, investors are finally starting to see the value in the icon of wearable tech.

Cloudera

The enterprise data cloud specialist went public at \$15 two years ago, but it has been trading

exclusively in the single digits since late May following a poorly received fiscal first quarter. Cloudera feels that it's getting back on track. Its internal metrics and pipeline generation are improving, and annualized recurring revenue rose 16% for its fiscal second quarter.

Cloudera is currently not profitable, but it has posted a much smaller loss than analysts were expecting in three of the past four quarters. Some of the more bullish Wall Street pros see it generating positive net income next fiscal year. The stock moved higher after a [well-received quarterly report](#) earlier this month, with one analyst upgrading the stock to outperform and another boosting his price target from \$8 to \$10.

Lumber Liquidators

We're now a few years removed from the Chinese laminates scandal that rocked Lumber Liquidators, but investors seem to have a longer memory than hardwood shoppers. Lumber Liquidators has now rattled off a dozen consecutive quarters of growth, and bottom-line growth is starting to gain momentum.

The stock took a hit last week after its founder announced that he was [no longer interested](#) in taking Lumber Liquidators private, substantially reducing his stake in the shares that he once felt were undervalued. The stock is still cheap, now fetching less than 16 times next year's projected earnings. With folks still investing in sprucing up their homes with stylish hardwood, this is a stock that may not be in the single digits for too much longer.

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