



3 Value Stocks Under \$7 to Buy Now

Description

Hi there, Fools. I'm back to highlight three stocks under \$7. While low-priced stocks carry plenty of risks, they can be a source of ideas when looking for small, obscure, and [underfollowed companies](#); dirt-cheap bargains; and intriguing turnaround situations.

If you have big dreams of turning an average [\\$27K TFSA](#) into \$1,000,000 in 20 years, you'll need explosive returns to do it. Although low-priced stocks are on the volatile side, the upside return potential might be well worth the risk.

Let's get to it.

Getting smoked

Leading off our list is embattled marijuana producer **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB), which is down more than 40% over the past three months and currently trades at \$5.60 per share at writing.

Disappointing growth and general bearishness over the entire marijuana space continue to weigh heavily on the stock. Just last month, the shares plunged 10% after Aurora's Q4 revenue and margins both missed estimates.

On the positive side, Aurora's top line spiked 52% to \$99 million, while gross margin clocked in at 58%, suggesting that company fundamentals remain healthy.

"We continue to see strong growth in cannabis revenues in both medical and consumer categories," says CFO Glen Ibbott. "Our cultivation execution continues to drive production costs lower and improve gross margins."

Aurora shares have a beta of 2.5.

Turbulent situation

Next up we have aircraft manufacturer **Bombardier** ([TSX:BBD.B](#)), whose shares have been walloped 60% over the past year and currently trade at \$1.60 per share at writing.

Slumping demand, mounting losses, and balance sheet concerns continue to impact Bombardier's stock price. In the most recent quarter, the company posted a loss of \$36 million versus a profit of \$70 million in the year prior.

Looking ahead, management lowered its full-year adjusted core earnings guidance from \$1.5 billion-\$1.65 billion to \$1.2 billion-\$1.3 billion.

"As we simultaneously address our legacy projects, complete Transportation's reshaping to leverage its global scale, and ramp-up to deliver on our strong backlog," said CEO Alain Bellemare. "We are making the necessary investments to ensure we have the right resources and capacity to deliver stronger, sustainable financial performance in the years ahead."

Bombardier shares have a beta of 1.6.

Berry badly beaten

Rounding out our list is mobile technologist **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)), which is down a massive 46% over just the past six months and currently trades at a price of \$6.80 per share at writing.

The stock has been particularly bruised since its most recent earnings report. In Q1, EPS of -\$0.10 missed estimates by \$0.05 while revenue of \$261 million missed by \$7 million.

Moreover, management's guidance narrowed toward the lower end of prior forecasts, which promoted several Bay Street firms to cut their price targets on the stock.

"We achieved breakeven non-GAAP earnings per share and generated free cash flow even with increased investments in sales and product development to support future growth," Chairman and CEO John Chen reassured investors.

Blackberry currently sports a beta of 1.4.

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. Cannabis Stocks
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TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. NYSE:BB (BlackBerry)
3. TSX:ACB (Aurora Cannabis)
4. TSX:BB (BlackBerry)
5. TSX:BBD.B (Bombardier)

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