



## 3 Explosive Growth Stocks Trading for Less Than \$5

### Description

Oftentimes, growth stocks come at a premium because the market is aware of the company's potential, and therefore the shares get bid up to the point where returns when the stock does work out end up being mediocre at best.

To find the best [growth opportunities](#), investors have to find companies that have this same potential but that the market has seemed to have missed and ignored.

It's even better when you can find companies with low share prices, as the potential for capital appreciation is that much greater.

Three stocks trading for less than \$5 that have huge growth potential are **OrganiGram Holdings** ( [TSX:OGI](#))([NASDAQ:OGI](#)), **Advantage Oil and Gas** ([TSX:AAV](#)), and **CES Energy Solutions** ( [TSX:CEU](#)).

### CES Energy

CES is an energy services company and a leading provider of chemical solutions for the oil sector with operations in Canada and the United States.

Its stock has been hammered recently and now sits right near the bottom of its 52-week range, as the entire industry has been under pressure, especially here in Canada.

CES, though, is much more weighted to its U.S operations, with roughly 70% of its revenue coming from the States.

Despite the drop in U.S drilling activity recently, having American operations has proven to be a stabilizing factor for Canadian companies, especially considering all the issues in Western Canada.

Internally, the company has been working to cut costs to strengthen its margin, despite pressure in the industry. This is important to preserve its margin and profits for shareholders.

Its stock trades at roughly \$1.80, which is right at the bottom of its 52-week range and more than 50% of its 52-week high. The major rout in its share price has increased the dividend though to a respectable 3.33%.

## Advantage Oil and Gas

Advantage is a small-cap gas producer that does roughly 45,000 barrels of oil equivalent per day of production.

Like many of its peers, Advantage has been vastly increasing its liquids production to capture better pricing at the moment.

It has also taken a number of steps to capture as much margin as possible. Firstly, it has been cutting its operating costs as much as it can, and though it has made massive progress over the last decade, it continues to look for any cost-saving efficiency.

It's also engaged in a strong hedging strategy to keep the company stable. The biggest thing it's done is, it's minimized its exposure to AECO pricing, so now AECO accounts for less than 20% of its revenue. This will be a major help, as AECO pricing is by far at the biggest discount in North America.

It's a top gas producer and has been maintaining its margins well, so when the natural gas market inevitably rebounds, Advantage will be one of the biggest beneficiaries.

Its stock trades at just over \$2 today and is well off its highs from 2017, when the stock was trading in the \$10 range.

## OrganiGram

OrganiGram is one of the highest-quality cannabis stocks in Canada as well as one of the best value picks in the cannabis space.

It's one of the largest, has recreational deals with all 10 provinces, grows high-quality cannabis at some of the cheapest production costs in the industry, and has already managed to reach profitability.

It's the ideal cannabis stock for value investors at a time when the entire sector is starting to look appealing to those seeking undervalued stocks.

Investors worried about overpaying for cannabis stocks should note that it's down more than 50% off its highs, and it has a price-to-earnings ratio that is currently only 21 times.

For a company that is one of the first and only to be profitable in the cannabis industry, a 21 times price-to-earnings ratio is completely fair. And as OrganiGram works to improve its profitability, it should propel the stock price quite a bit higher.

## Bottom line

These growth stocks all offer investors tons of potential, but, most importantly, you can buy them today for extremely cheap.

Finding undervalued companies that can grow is the best way to supercharge your potential profits and give yourself the best shot at the highest returns possible.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

### TICKERS GLOBAL

1. NASDAQ:OGI (OrganiGram)
2. TSX:AAV (Advantage Oil & Gas Ltd.)
3. TSX:CEU (CES Energy Solutions Corp.)
4. TSX:OGI (OrganiGram)

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