



Irrational Markets Can Be Your Chance to Buy These 3 Stocks Cheap

Description

The stock market is behaving irrationally in recent days. An epidemic is fueling a market selloff. Fortunately, in a declining or crazy market, there are buying opportunities.

Some stocks are selling at relatively low prices and should be great value buys. You won't spend more than \$6 per share to purchase **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)), **BTB** ([TSX:BTB.UN](#)), and **Birchcliff** ([TSX:BIR](#)).

Cementing industry position

BlackBerry lost momentum after climbing to \$8.16 on February 20, 2020. Since then, the stock has fallen by 27.3% to \$5.93. If you look at analysts' forecasts, you would consider taking a position on BlackBerry. This tech stock can potentially climb to \$14, or a 136% gain in the next 12 months.

The latest information in the tech sector is the purchase of some 11.2 million shares of BlackBerry by a pension fund. The \$200 billion-plus Ontario Teachers' Pension Plan increased its holdings in BB during the fourth quarter of 2019. Also, it unloaded holdings in **Disney** and **Starbucks**.

The [rebalancing of the portfolio](#) by one of the largest pension funds in the world indicates confidence in BlackBerry's growth portfolio. Recently, this \$3.28 billion former phone maker is making waves in the software application space. With the growing demand for its products, revenue could reach \$1 billion this year.

Extraordinary REIT

BTB is a \$310.81 million real estate investment trust (REIT). This REIT is among the [highest dividend payers](#) in the real estate sector. At \$5 per share and a dividend yield of 8.22%, buying BTB is a steal. If you scoop \$10,000 worth of BTB shares today, the annual dividends will amount to \$822.

The low price is not the only compelling reason to consider BTB. This REIT is doing well, with revenue

trending upward in the last couple of years. BTB has a different standard when acquiring rental properties. The transaction size is always between \$3 million and \$30 million.

BTB skirts competing with local investors and institutional buyers with this focused strategy. As such, BTB ends up owning the premium properties in the middle market.

It would be interesting to see its Q4 2019 and full-year financial results. BTB should be reporting around \$90.1 million in revenue for the year.

Cheap but a bit risky

You can own an intermediate oil and natural gas stock for only \$1.39 per share. But what do you get in exchange for the ridiculously low price? Birchcliff Energy yields a hefty 6.95% dividend. Your \$20,000 investible fund could produce \$1,390 passive income.

For the full year 2019, Birchcliff reported a net loss of \$59.6 million as compared to net income \$98.0 million in 2018. Management cited the challenging commodity price environment as the reason for the loss.

The company, however, was able to deliver \$334.5 million of adjusted funds flow and \$78.1 million of free funds flow. Birchcliff is tanking today, but analysts covering the stock are bullish. Their estimate is a capital gain between 269% and 331% in the next 12 months.

I'm a bit wary about the forecasts given the current fragile situation. But you can opt for a small position in Birchcliff to take advantage of the low price and high dividend.

Be on guard

Even if these "B" companies can be had at bargain prices, beware and consider the risks first. Better safe than sorry.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)
3. TSX:BIR (Birchcliff Energy Ltd.)
4. TSX:BTB.UN (BTB Real Estate Investment Trust)

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