



3 Cheap Stocks Under \$15 That Could Double in 2020

Description

Cheap stocks don't imply low-quality companies. Instead, some of the best stocks in the country trade for less than the price of a few cups of coffee. This makes them more accessible to all investors and adds liquidity for traders.

With that in mind, here are the top three cheap stocks I believe could double in value in 2020.

Cheap stock number one

Absolute Software (TSX:ABT) is currently priced at \$12.24. The reason I believe it could double this year is because it *has nearly doubled in the past three months*. The stock is up 70% since late March. The stock also offers a reasonable dividend that boosts its return further.

Cybersecurity is an intriguing industry. I believe the demand for digital security is heightened now that everyone is working from home. Companies need a robust way to protect client information, personal data, trade secrets, and payment information. Meanwhile, the tools that attackers use have become much cheaper and more sophisticated over the years.

In other words, Absolute is a defence supplier in the middle of a digital war. It's also a profitable company with a broad horizon for growth trading at a reasonable valuation. At just 37 times earnings, this cheap stock deserves a spot on your watch list for 2020.

Cheap stock number two

Brookfield Property Partners ([TSX:BPY.UN](#))(NASDAQ:BPY) is currently priced at \$11. But don't let this cheap stock fool you. The underlying real estate this stock represents is some of the finest and most luxurious in the world.

From Canary Wharf in London to Brookfield Place in Toronto, this trust manages some of the most iconic pieces of real estate on the planet. Unfortunately, these shiny office towers and glitzy malls have been desolate during this crisis. Brookfield faces immense pressure, as tenants suffer the economic consequences of a prolonged shutdown.

Nevertheless, I believe the stock has already priced in all this bad news. It's down 40% year to date. Meanwhile, a dividend cut could also be on the horizon. However, the current stock price is half of book value per share. That fact alone should put this cheap stock on your radar.

Cheap stock number three

TransAlta Renewables ([TSX:RNW](#)) is currently priced at \$14.2. This cheap stock represents a gateway to an industry that could be worth trillions in a few years. The transition away from fossil fuels to renewable energy is already underway. As regulations and public opinion intensifies, companies like TransAlta could stand to benefit from an influx of capital.

After years of investing in infrastructure and expanding operations, TransAlta is already a leader in this space. In fact, operations are so robust that this cheap stock is also a [lucrative dividend opportunity](#). The forward yield is currently implied at 6.4%. The fact that energy demand is uncorrelated to the economy also makes this cheap stock recession-proof.

As interest rates remain low and reliable opportunities dwindle, I believe investors will retreat to cheap stocks with dividends like TransAlta in 2020. That could potentially double the stock price by the end of the year.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ABST (Absolute Software)
2. TSX:BPY.UN (Brookfield Property Partners)
3. TSX:RNW (TransAlta Renewables)

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Author

vraisinghani

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