3 Underdog Growth Stocks

Description

Oftentimes, it seems like investors avoid stocks that have been underappreciated by the market for any prolonged period. It is not uncommon to see retail investors jump into the newest hot stock, regardless of whether it is a good investment or not. However, there are some companies that have not been performing well in past years that have tremendous upside and could very well provide more lucrative opportunities than the latest trending stock.

No longer just a phone company

Anyone who had a smartphone in the late 2000s can probably guess which company this is. **BlackBerry** (TSX:BB)(NYSE:BB) was the global leader in smartphone manufacturing before the iPhone exploded. During its insane run up, BlackBerry stock saw growth of over 1,500% over four-and-a-half years! Since reaching its peak on June 19, 2008, BlackBerry stock has lost nearly 98% of its value.

So, why is BlackBerry an intriguing investment today? The company has since switched its focus to cybersecurity. I have previously written about the company in detail, but to summarize the article, this new focus firmly places BlackBerry in position to benefit from the new societal paradigm. Companies seem to be leaving behind the idea of working in large office spaces and shifting to working from home, which will require services from companies like BlackBerry to ensure its networks are secure.

A leading provider of music

One of the country's largest music providers is possibly a company you have never heard of. **Stingray Group** (TSX:RAY.A) made its name by providing the music you hear when shopping at the local **Walmart** as well as by the music stations available on television services. A much newer IPO than BlackBerry, Stingray first listed on the TSX in 2016. Since reaching its high in April 2018, the stock has fallen over 50%.

However, the company has been making big moves over the past couple years, which the market may not have accounted for. Stingray has recently expanded into radio stations, after its acquisition of Newfoundland Capital, as well as securing distribution partnerships with the likes of **Apple**, **Amazon**, and **Roku**. This stock could see a significant rise in value once the market realizes how big these new opportunities can be for Stingray.

Up, up, and beyond for this company

While you may not be familiar with the name **Maxar Technologies** (TSX:MAXR)(NYSE:MAXR), you are definitely familiar with some of its services. Maxar provides infrastructure and services to companies seeking innovation in spacecrafts, robotics, and satellite imaging. If you have ever used Google Earth, then you have used a Maxar product. Since reaching its peak in May 2015, Maxar stock has fallen as much as 95%.

Currently, the stock is still more than 80% from its peak, but similarly to BlackBerry, recent societal trends may benefit this company immensely. Over the past year, space exploration has become the talk of the town once again, as companies such as **Virgin Galactic** and Blue Origin seek to normalize space tourism for the public. Even more recently, on May 30, 2020, SpaceX and NASA executed the first human launch into space from the United States since 2011.

Foolish takeaway

Although jumping into the newest hot stocks may be very exciting, investors can see a lot of growth in companies that have been around for a while but have been severely underappreciated by the market. The companies listed in this article can benefit from large societal trends and are excellent up-and-coming companies the market may have misjudged completely.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. canada
2. Editor's Choice
3. investing
4. market
5. Stocks
6. tech
7. tech stocks
8. technology
9. technology stocks

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. NYSE:MAXR (Maxar Technologies)

3. TSX:BB (BlackBerry)
4. TSX:RAY.A (Stingray Group Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Investing
2. Tech Stocks

Tags

1. canada
2. Editor's Choice
3. investing
4. market
5. Stocks
6. tech
7. tech stocks
8. technology
9. technology stocks

Date
2025/06/29
Date Created
2020/06/23
Author
jedlloren