



Looking for a Value Stock Triple-Up? Bombardier Stock Could Be it

Description

Value stocks have been flying high this year. Since last year, trading volume on the OTC markets has surged 2,000% owing to the speculative trading activity. Indeed, these stocks lack the fundamentals of their larger brethren, and tend to be highly correlated with social media hysteria.

Today, that appears to be a recipe for success.

Nevertheless, many retail investors are looking for the next value stock triple up. For those looking to [speculate](#), Foolishly, of course (in a well-disciplined manner using proper position sizing and in a trading portfolio only), here's an idea: **Bombardier** ([TSX:BBD.B](#)).

Bombardier stock: Out of favour — just where retail investors want it

Back in its prime, Bombardier traded well in excess of \$25 per share. However, that was 20 years back.

Over the past two decades, Bombardier's stock price has been on the decline. After the company's failed CSeries program, investors waited to see if the company could get back on track. However, Bombardier was forced to sell its CSeries to Airbus for essentially nothing due to Bombardier's unmanageable balance sheet situation.

This February, Bombardier laid off 1,600 employees and announced it was stopping production of its Learjet line. Such disclosures are unsurprising to investors who have been following this stock. In 2020, this company lost approximately \$568 million. That's not good and contributed to where Bombardier's stock trades today.

However, following a series of job cuts and a corporate restructuring plan, Bombardier expects to turn around this ship. Over the next few years, Bombardier's management team is targeting a profit target of over \$500 million. The company has announced forecasts like these before; however, they've been proved wrong repeatedly.

That said, for those who believe Bombardier has a shot at executing in the coming quarters, this is a stock with some real upside potential. It appears retail investors are willing to bet on any stock these days, and Bombardier is an intriguing pick.

Indeed, Bombardier's appeal as a reopening play could potentially facilitate a surge in demand among retail investors. It's certainly a long shot, but they don't call them "moon-shot" bets for nothing.

Bottom line

Bombardier stock is an extremely risky trade, for those with "funny money" looking for intriguing potential gains.

However, as mentioned, investors in such stocks shouldn't bet more than they're willing to lose with such companies. This isn't a company I'd bet the farm on. In fact, personally, I wouldn't bet anything on this company. Indeed, it's cheap for a reason. Invest accordingly.

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