3 Ultra-Cheap Stocks to Buy Right Now

Description

North American markets were hit with volatility in September. Fortunately, stocks have gained momentum in the early part of October. There are still cheap stocks available to snatch up on the dip. Today, I want to zero in on three equities that are worth your attention. Let's jump in.

This undervalued stock also offers nice income

Superior Plus (TSX:SPB) is a Toronto-based company that is engaged in the energy distribution and specialty chemicals businesses in Canada, the United States, and Chile. Its shares have climbed 11% in 2021 as of late-afternoon trading on October 7. However, this cheap stock has plunged 8.3% month over month.

The company released its second-quarter 2021 results on August 11. Its adjusted EBITDA dropped 19% from the prior year to $31.6 million. Meanwhile, higher finance expenses led to a net loss of $36.1 million. U.S. Propane EBITDA suffered a 48% decline from the previous year, while Canadian Propane EBITDA rose 8% from the second quarter of 2020. Despite the setback, Superior Plus remains confident in its "Superior Way Forward" strategic roadmap that aims to bolster EBITDA in the quarters ahead.

What makes Superior Plus a cheap stock? Shares of Superior Plus possess an attractive price-to-earnings (P/E) ratio of 9.6. Its shares last had an RSI of 29, putting it in technically oversold territory. Better yet, this cheap stock offers a monthly dividend of $0.06 per share. That represents a strong 5.3% yield.

Don't sleep on this cheap stock in the retail space

Back in April, I'd discussed why Canadian investors should look to take advantage of higher inflation. **Canadian Tire** (TSX:CTC.A) is one of the most reliable retailers and defensive stocks on the TSX.This cheap stock has increased 9.5% in the year-to-date period. However, its shares have dropped5.7% over the past month.

In Q2 2021, Canadian Tire reported e-commerce sales growth of 34% to $856 million. The company posted consolidated revenue growth of 20.4%. Meanwhile, consolidated comparable sales, excluding petroleum, rose 3.2% year over year and were up 15% from the same period in 2019. Canadian Tire saw diluted earnings per share (EPS) increase $3.97 from the previous year to $3.64.

This cheap stock last had a favourable P/E ratio of 9.6. It last had an RSI of 39, as it has recovered partially from oversold levels. Investors should still look to snatch up Canadian Tire right now. The stock last paid out a quarterly dividend of $1.175 per share, which represents a 2.5% yield.

One more cheap stock to add in October

Richelieu Hardware (TSX:RCH) is a Montreal-based company that manufactures, imports, and distributes specialty hardware and complementary products in Canada and the United States. Shares of this cheap stock have climbed 34% in the year-to-date period. The stock has dropped 2.7% month over month. It is already on the rebound after its late September dip.

On October 7, the company reported profit of $38.7 million or $0.69 per diluted share — up from $28.7 million, or $0.50 per diluted share in the third quarter of 2020. It was bolstered by a significant increase in sales to the manufacturers market. This stock possesses a solid P/E ratio of 21 at the time of this writing. Shares have surged out of technically oversold territory, but it is not too late to snatch up this attractive stock.

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2. TSX:RCH (Richelieu Hardware Ltd.)
3. TSX:SPB (Superior Plus Corp.)

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