



3 Stocks That Dropped Below \$10 to Buy at a Discount

Description

The alternating spikes and dips of TSX stocks indicate the volatile landscape today. While runaway inflation and tightening monetary policies spook investors, bargain hunters are on the prowl. [Buying opportunities](#) are plenty if you're looking for stocks trading at big discounts.

The share prices of **Andrew Peller** ([TSX:ADW.A](#)), **Bird Construction** ([TSX:BDT](#)), and **Stingray Group** ([TSX:RAY.A](#)) have dropped below \$10. However, the three underperforming stocks should rebound eventually when the business environment normalizes. Meanwhile, the dividend payments should make the wait worthwhile.

Scalable operating platform

Andrew Peller's 52-week high is \$11.23 but is now approaching its 52-week low. Also, at \$6.56 per share, investors are down 15.47% year to date. But if you scoop the stock today, you can partake of the 3.56% dividend. The \$292.23 million company produces and sells quality wines and craft beverage alcohol products.

In the first three months of fiscal 2022 (nine months ended December 31, 2021), revenue and net earnings fell 6% and 42.8%, respectively, versus the same period in fiscal 2021. Nonetheless, management applauds the performance given the pandemic-induced challenges and uncertainties.

Despite the unimpressive financial results, the board of directors approved a 10% hike in common share dividends. Its president and CEO John Peller is confident that the company will emerge stronger and more efficient post-pandemic. While Mr. Peller expects the pandemic to impact on the business, the company will capitalize on its robust and scalable operating platform.

Positive outlook

Bird Construction is off 15.6% from its price on year-end 2021. However, at \$8.14 per share, the dividend offer is 4.79%. The \$434.93 million company is one of Canada's leading construction firms. It

provides a comprehensive range of construction services, including construction for industrial, commercial, and institutional and civil infrastructure markets.

In Q1 2022, construction revenue increased 6.95% versus Q1 2021, but net earnings dipped 10.6% year over year to \$6.36 million. Despite the pandemic-related personnel and supply chain challenges, management describes the first quarter as a solid one, because revenue grew and the backlog hit new records.

According to Teri McKibbin, Bird's president and CEO, the strong balance sheet, healthy total backlog, and growing recurring revenue streams positions the company to deliver strong financial performance. Moreover, investments in the business and steps to improve the overall margin profile should result in long-term value for stakeholders.

Generous dividend

Stingray's revenue in Q4 fiscal 2022 (quarter ended March 31, 2022) increased 21.6% versus Q4 2020, but net income fell 63% year over year to \$4.46 million. For the full year, the net income of \$99.26 million was 26.2% lower than in prior year. The \$378.53 million company is a global music, media, and technology company.

Its president, co-founder, and CEO Eric Boyko said, "We are encouraged by our fiscal 2022 results with revenues increasing 14.0% to \$282.6 million." He added that it reflects a return to normal business activities post-pandemic. In February 2022, Stingray partnered with TikTok to launch TikTok Radio.

Metro and **Walmart** Canada are the latest additions to the Stingray Retail Media Network. The stock trades at \$5.53 per share (-19% year to date) and pays a hefty 5.42% dividend.

Attractive income stocks

The three stocks in focus are attractive picks for income investors. While they trade at deep discounts, the dividend payouts appear to be sustainable.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ADW.A (Andrew Peller Limited)
2. TSX:BDT (Bird Construction Inc.)
3. TSX:RAY.A (Stingray Group Inc.)

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