



## 2 Promising U.S. Stocks to Buy With \$25 Right Now

### Description

A [bear market](#) can be brutal to investors, but it also provides an opportunity to build generational wealth if you remain focused and disciplined. The ongoing bear market has driven share prices and valuations significantly lower, allowing investors to buy the dip.

Here, I take a look at two stocks part of the U.S. markets that are trading below \$25 per share.

### PubMatic

A programmatic advertising company, **PubMatic** ([NASDAQ:PUBM](#)) shares are down 70% from all-time highs. Valued at US\$1.1 billion by [market cap](#), PubMatic is forecast to increase sales by 23% to US\$279.22 million in 2022.

It offers a sell-side advertising platform that enables publishers to list digital ad spots for sale. PubMatic aims to automate the programmatic ad selling process, which, in turn, should help publishers and marketers.

In the June quarter, PubMatic increased sales by 27% to US\$63 million, easily outpacing the industry's growth. Its net margin stood at 12%, and its adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) margin rose to 37% in the second quarter (Q2) of 2022.

PubMatic's net dollar-based retention rate stood at 130%, which suggests existing customers increased spending by 30% on its platform. With US\$183 million in cash and a debt-free balance sheet, PubMatic is well poised to gain momentum if market sentiment improves.

The company is part of a rapidly expanding addressable market, as the digital ad industry in the U.S. is forecast to touch US\$315 billion by 2025, up from US\$211 billion in 2021.

PubMatic went public in December 2020 and priced its initial public offering at US\$20 per share. The stock is trading at US\$21, which is 35% below its average price target estimates.

## Palantir Technologies

Shares of **Palantir Technologies** ([NYSE:PLTR](#)) fell more than 10% following the company's Q2 results. The data-mining company reported revenue of US\$473 million in the June quarter, increasing 26% year over year. Though it beat Wall Street forecasts, Q2 was Palantir's slowest quarterly growth rate as a publicly listed company.

Palantir reported an adjusted loss of US\$21 million in Q2 compared to a profit of US\$98 million in the year-ago period, missing consensus estimates by US\$0.04 per share. Palantir stock is now down almost 80% from record highs, valuing the company at a market cap of US\$17.5 billion.

A software company that leverages big data to provide a wide suite of services to enterprise clients, Palantir is fast gaining traction in the commercial enterprise vertical.

Revenue from its base of government customers rose 26%, and commercial customer sales were up 46% year over year in Q2. Further, sales from Palantir's U.S.-based commercial customers more than doubled in the second quarter.

Palantir's government contracts provide the company with steady cash flows, while the commercial segment should be a key driver of top-line growth for the company in the future.

Equipped with a strong balance sheet, Palantir is debt free and enjoys a net retention rate of 119%. It shows existing customers increase spending by 19% in the last year.

Palantir is forecast to increase sales from US\$1.54 billion in 2021 to US\$2.37 billion in 2023. So, the stock is valued at 7.4 times 2023 sales, which is quite expensive. But the stock is also trading at a discount of 27% compared to consensus price target estimates.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:PUBM (PubMatic)
2. NYSE:PLTR (Palantir Technologies Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News

9. Yahoo CA

**PP NOTIFY USER**

1. araghunath
2. kduncombe

**Category**

1. Investing
2. Tech Stocks

**Date**

2025/08/15

**Date Created**

2022/08/23

**Author**

araghunath

default watermark

default watermark