



## Which Under-\$10 TSX Stocks Have Strong Upside Potential?

### Description

Several TSX-listed stocks are trading cheap and are priced below \$10. However, not all have the potential to make you rich. Further, the uncertain economic environment continues to play spoilsport. Nevertheless, shares of a few high-quality Canadian companies are trading well under \$10. These companies have proven business models, have been navigating the current macro challenges well, and have solid growth prospects. All these imply that these companies have the strong potential to deliver stellar returns.

With this backdrop, let's look at two under-\$10 [TSX stocks](#) poised to outperform broader market averages.

### BlackBerry

With solid secular sector tailwinds and a strong defensive moat, **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) is an attractive [tech stock](#) trading under \$10. BlackBerry's IoT (Internet of Things) and cybersecurity businesses continue to deliver strong sales, despite macro weakness.

Further, BlackBerry's guidance implies that the momentum in its business will sustain in the coming years. The higher enterprise spending on cybersecurity and the ongoing automation and electrification of vehicles provide a multi-year growth opportunity for BlackBerry.

BlackBerry expects its revenue to grow at an average annualized rate of 13% in the coming five years. This growth outlook is backed by management's optimism over its IoT and cybersecurity business.

Management projects its IoT revenues to grow at a CAGR (compound annual growth rate) of 20% through 2027, reflecting new design wins. Further, its cybersecurity revenues are forecasted to grow at a CAGR of 10% during the same period.

Besides the strength in its top line, BlackBerry expects productivity savings to support its gross margin expansion. Further, its recurring software product revenue and a growing addressable market will support its growth.

While BlackBerry is poised to deliver solid growth, its stock is available at a discount of 48% from the 52-week high. This correction in BlackBerry stock provides an opportunity for investors to start a long position.

## StorageVault Canada

**StorageVault Canada** ([TSX:SVI](#)) offers storage locations (rentable spaces) to individual and commercial customers. Investors should note that storage is among the best-performing real estate class, led by strong demand due to the growing population.

Thanks to the strong demand, StorageVault has delivered strong revenue growth. Meanwhile, it continued to increase its store count and geographic locations. It owns 203 storage locations with 4,500 portable storage units. Meanwhile, StorageVault offers professional records management services and last-mile storage and logistics solutions to diversify its revenue further.

StorageVault's revenues and net operating income increased by 34% and 33% in 2021. Meanwhile, in the first half of this year, its top line grew by 30% year over year. Meanwhile, net operating income registered almost similar growth.

Looking ahead, an increase in storage space, cross-promotion, and marketing will drive its organic sales. Also, its expansion into portable storage, information and records management, and FlexSpace logistics businesses augur well for growth.

StorageVault's growth could accelerate further on the back of its accretive acquisitions. Moreover, its presence in the top Canadian markets, short-duration rentals (that help StorageVault address inflation-related challenges promptly), and high occupancy will support its growth and stock price.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)
3. TSX:SVI (StorageVault Canada 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. kduncombe
2. snahata

#### **Category**

1. Investing
2. Tech Stocks

#### **Date**

2025/06/28

#### **Date Created**

2022/09/16

#### **Author**

snahata

default watermark

default watermark