Three Cheap Stocks to Consider for 2020

Over the last few weeks, we've highlighted many oversold opportunities.

- Charles Schwab (SCHW) ran from $38.70 to $50
- E-Trade Financial (ETFC) ran from $38.85 to $45.57
- Ameritrade (AMTD) moved slightly higher from $36.05 to nearly $52 on buyout
- Amazon (AMZN) ran from $1,715 to $1.760
- Ulta Beauty (ULTA) slipped from $236.08 to $250.83
- UPS (UPS) ran from $114.10 to $120
- Keurig Dr. Pepper (KDP) ran from $27.50 to $28.80
- Planet Fitness (PLNT) ran from $60.15 to $74
- Johnson & Johnson (JNJ) popped from $129.50 to $142.14
- Interactive Brokers (IBKR) did pull back from $48 to $47.36
- Aphria Inc. (APHA) ran from $5 to $5.40
- Qualcomm (QCOM) ran from $81.15 to $89.47
- Beyond Meat (BYND) fell from $82.04 to $73.40
- General Electric (GE) ran from $10.93 to $11.18
- Mattel Inc. (MAT) ran from $12.19 to $13.12
- Shake Shack (SHAK) ran from $59.20 to $59.75
- Chesapeake Energy (CHK) ran from 57 cents to 80 cents
- Twilio Inc. (TWLO) slipped from $104.26 to $99.90
- Nektar Therapeutics (NKTR) slipped from $20.53 to $21.09
- Canopy Growth Corp. (CGC) ran from $18.30 to $20.58
- Kohl's Corp. (KSS) fell from $48.20 to $50.10
- Home Depot (HD) ran from $213.80 to $216.27 so far
- Micron Technology (MU) ran from $45.92 to $54

Overall, that's not bad at all.

But like I've said, we find opportunities just like these all the time. That's because investors have tended to overreact to news. In fact, we just found three more trades to own now.

Opportunity No. 1 – Inseego Corporation (INSG)

The 5G boom is creating opportunities investors just can't ignore.

Analysts at Cowen & Company, for example, have already said, "A revolution is coming."

In fact, they note 5G will usher in this revolution and have a 'game changing' impact on society, per a Barron's report. "Certainly, there are already several technologies including artificial intelligence, robotics, the Internet of Things, quantum computing, etc. that have already impacted our lives a great deal… 5G will serve as the 'glue' for these foundational technologies to come together – and that convergence will form 'the fourth industrial revolution.'"

And by 2035, about $12.3 trillion worth of goods and services will be enabled by 5G networks, and the rollout of 5G will add approximately $3 trillion to the worldwide GDP.

One of the best ways to profit from the story is with Inseego Corporation.

Opportunity No. 2 – Digital Turbine (APPS)

What we like most about APPS has been its ability to hit higher highs since November 2018. Since that time, the stock has run from $1.20 to $8.88. However, we still believe the stock has a considerable amount of wind at its sails, and could move to $30 with patience.

"Our ability to simultaneously drive strong growth on both the top and bottom lines demonstrates the market momentum and inherent operating leverage of our business. Spearheaded by growing partner adoption of our leading mobile platform and robust worldwide demand from advertisers, we achieved strong financial results, generating more than $4.5 million in Adjusted EBITDA and $5.7 million in free cash flow during the quarter. As a result of this performance, we exited the September quarter with more than $25 million in cash on our debt-free balance sheet. We believe that the results reported today are further demonstration that we have successfully developed an attractive, highly scalable, and profitable platform business," said CEO Bill Stone.

Opportunity No. 3 – Stitch Fix (SFIX)

Shares of Stitch Fix are pushing higher with analysts optimistic on the company's direct buy program. Telsey Advisory Group found "a lot to like" in the quarter, but singled out direct buy, which has shown "early signs of success in supporting revenue per customer growth," as quoted by Bloomberg.

The firm has an outperform rating with a price target of $33.

SunTrust Robinson Humphrey, Youssef Squali says SFIX's recent results "show strong execution" while the guidance "imply sustainable positive trends" over the short and medium term. Direct buy is "driving incremental demand and profits, and setting up SFIX for a 15%+ revenue CAGR for the next 5 years."

The firm has a buy rating on the stock with a price target of $38.