



3 Stocks Trading at 52-Week Lows — Is This the Bottom?

Description

Another week of 2014 is in the books, and for these three companies trading at 52-week lows, it was a week to forget.

Westport Innovations (TSX: WPT)([NASDAQ: WPRT](#))

Westport continues to find the bottom of the stock chart, this time falling to a new low of \$14.27 on April 11. This new low came two days after an interview with Bison Trucking was published. In this interview, the trucking company discussed how the promised benefits of LNG vehicles have fallen short. Higher than projected repair costs and lower than expected fuel savings are forcing the company to rethink its commitments to LNG. Bison began with converting 15 of its trucks with LNG to test the viability of the concept, if successful Bison would have converted more of its 1,250 strong fleet to LNG.

This was a blow to the industry as a whole, and Westport is feeling the brunt of investor dissatisfaction. For Westport this comes after less than satisfactory 2013 results, and a fresh wave of joint OEM ventures. Despite this news the stock still maintains a price target of \$30.78.

Rocky Mountain Dealerships (TSX: RME)

One of Canada's largest agricultural and construction equipment dealerships with 36 locations in Alberta, Saskatchewan, and Manitoba, Rocky Mountain reached a new 52-week low of \$10.50 on April 11. The past year's shortened construction season had an impact on the company, reaffirming a growing weakness, and led the company to make some difficult inventory decisions.

On the agricultural side this past year's record harvest could encourage farmers to upgrade their equipment with a few weeks to go before work begins on the fields. Before the low on April 11, many analysts had cut their average price targets for R.M.D from \$15.00 to \$13.98 (some as low as \$12.50) and set a "hold" rating on the stock.

Neptune Technologies & Bioresources Inc. (TSX: NTB)

This company specializes in the manufacturing and the commercialization of krill-derived omega-3

polyunsaturate fatty acids for the nutraceutical and pharmaceutical markets. It hit a new 52-week low of \$2.41 on April 7, having been battered by continuing litigation between Neptune and Enzymotec. The litigation was sparked by an International Trade Commission investigation that insinuated infringement of Neptune's patents. If Neptune were to win the case, Enzymotec would be banned from importing infringing krill products into the U.S.

Aside from the litigation, management has begun to take a pro-active approach to improve its stock price. Led by the company's largest shareholder the plan calls for the company to "initiate all actions necessary or advisable to enhance shareholder value, including exploring means to change the current management."

Foolish bottom line

The market is full of highs and lows and savvy investors know when to jump on a good deal. For these companies a week like this could turn into an opportunity for investors, if they can ride out the waves of the market and learn from its missteps.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:WPRT (Westport Fuel Systems Inc.)

Category

1. Investing

Date

2025/08/25

Date Created

2014/04/14

Author

cameronconway

default watermark