



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.

Kinross Gold (TSX: K)(NYSE: KGC)

This gold mining company hit a new 52-week low of \$4.38 on April 21. This low came a couple of weeks after the company revised its Tasiast expansion projections to 848,000 ounces per year from 2018-2022. The revised numbers are based on an extra 3.1 million estimated ounces, bringing the total estimated reserves to 9.6 million ounces.

This fall in the stock may be more about the price of gold than a fault of the company, with gold closing Friday at \$1,304.40, far below a 52-week high of \$1,487.20 per ounce hit last May. This has cut into the company's earnings but is still far cry from the \$1,179.40 per ounce the price of gold hit back in June.

Huntingdon Capital (TSX: HNT)

A real estate management company, with a portfolio including office, industrial, manufacturing, retail, and aviation-related properties struck a new 52-week low on April 25 when the stock reached \$11.68. The company has a reasonable footprint, with 2.7 million square feet of available space throughout 35 properties. The company took an internal blow back on April 13 when it lost its Senior V.P of operations to a rival hotel REIT.

On a positive note, Huntingdon Capital monetized a \$5 million vendor take back loan last week; these funds were the final part of the sale of its Ontario assets back in 2012. Huntingdon has also (through its subsidiary **FAM Real Estate Investment Trust (TSX: F.WT)**) come to an agreement to invest \$16 million into a 64,000 sf data center in Winnipeg. The building is already completely pre-leased by **Manitoba Telecom Services (TSX: MBT)**.

This is significant because Manitoba MTS is one of the two primary players in the provinces telecom industry, and has been hesitant to relocate to newer office buildings since the construction of its

downtown skyscraper. While the stock may have hit a low, its 52-week range is quite narrow with a trading range of \$12.80 to \$11.68.

Argonaut Gold ([TSX: AR](#))

Another gold producer saw a new 52-week low this week, when Argonaut Gold fell to \$3.60 on April 21. The company has actually been posting encouraging numbers lately with Q1 production increasing 4% to 30,936 gold equivalent ounces (GEOs are based on conversion ratio of 55:1 for silver to gold). Total gold sales for the past quarter also rose by 13% compared to Q1 2013, with 30,165 gold equivalent ounces.

However the company is facing some legal issues after its environmental impact statement for its San Antonio project (estimated 1.73 million ounces) was rejected by Mexican authorities on April 10. This has led **Bank of Nova Scotia** to cut its price target from \$8.00 down to \$6.50 as it believes it could take at least a year to resolve this issue with the Mexican government.

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 mine some wisdom from its missteps.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:AR (Argonaut Gold Inc.)
3. TSX:K (Kinross Gold Corporation)

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Date

2025/07/21

Date Created

2014/04/28

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