



3 Depressed Stocks That Could Double

Description

The last few years have been very good to investors, with most major indices showing healthy gains. Unfortunately, that makes it harder today to find stocks trading at bargain prices.

However, not every stock has participated in the rally, and some of these depressed names may now be seriously undervalued. On that note, below we look at three companies that could be poised to show big gains.

1. BlackBerry

Of course, any discussion about depressed stocks in Canada must start with **BlackBerry** ([TSX: BB](#))(NASDAQ: BBRY), at one point Canada's largest company by market capitalization. Since then, both the company and the stock have incurred deep losses as rivals **Apple** and **Google** have come to dominate the smartphone market.

New CEO John Chen seems to have the right priorities in place, and is leading a strategy shift towards enterprise services, where BlackBerry still has an advantage over its rivals. Crucially, Mr. Chen has a solid track record of leading turnarounds, most notably at Sybase, which was heading towards bankruptcy when he took over. Sybase was eventually sold to **SAP** for \$5.8 billion.

If Mr. Chen is able to work his magic again, then Blackberry's shares could soar. Until then, investors understandably remain skeptical, and the stock price remains nice and low.

2. PotashCorp

Six years ago, when BlackBerry was Canada's most valuable company, the second place went to **PotashCorp** (TSX: POT)(NYSE: POT). Since then, increasing supply has led to reduced prices for potash, as well as a lower price for PotashCorp's stock.

Now, though, potash prices are so depressed that bringing on new supply is uneconomic. So eventually, with rising populations, rising incomes, and rising meat consumption, there could easily be a shortage of potash, putting serious upward pressure on the price. PotashCorp would get a further

boost if chief rival Uralkali reverses its decision from a year ago to pursue a volume-over-price strategy.

3. Westport Innovations

Westport Innovations (TSX: WPT)([NASDAQ: WPRT](#)) is a provider of technology that allows engines to run on natural gas. This is a market that is ripe for serious growth — natural gas burns cleaner than diesel and is much cheaper, too. Industries like trucking and public transportation have already been switching over.

However, Westport's shares have not done well in recent times, down 43% over the past 12 months. This is partly due to the fact that natural gas prices have been rebounding. But natural gas engines still have lots of promise, and if that promise is fulfilled, Westport's shares could soar.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:WPRT (Westport Fuel Systems Inc.)
2. NYSE:BB (BlackBerry)
3. TSX:BB (BlackBerry)

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