Here Are 3 Top Stocks That Can Make You Rich (And That No One Else Wants)

Description

Hey there, Fools. I'm back to bring attention to three stocks that fell sharply last week. Why? Because one of the most reliable ways to build wealth in the market is by buying solid companies

- during periods of extreme pessimism;
- when they're being completely overlooked; or
- when they're being sold at a significant discount to intrinsic value.

The **S&P/TSX Composite Index** continues to slide, down another 1.4% last week. So, hopefully this list will help you find some especially attractive value opportunities.

Let's get to it.

Sleepy Sierra

Kicking off our list is **Sierra Wireless** (TSX:SW)(NASDAQ:SWIR), whose shares fell 11% last week. The "internet of things" (IoT) specialist is now off 30% over the past year versus a gain of 11% for the **S&P/TSX Capped Information Technology Index**.

The stock plunged last month on a weak Q4 outlook, and it's been sinking ever since. That said, Sierra remains confident in its ability to gain share in the highly coveted IoT space.

"We continued to strengthen our position as the leader in Device-to-Cloud IoT solutions and our two highest-margin businesses — namely Enterprise Solutions and IoT Services — increased to 27% of total revenue in Q3," said CEO Kent Thexton.

With a forward P/E of 16, now might be a smart time to bet on that bullishness.

Down by the bay

Next up, we have **Hudson's Bay** (TSX:HBC), which fell 12% last week. Shares of the department store operator are now off 28% over the past six months versus a loss of 23% for the **S&P/TSX Capped Consumer Discretionary Index**.

The stock sank earlier this month on a disappointing Q3 loss, but turnaround signs are evident heading into 2019. Sales managed to increase 5.6% during the quarter, driven by solid growth at its Saks Fifth Avenue brand. More important, same-store sales growth — a key metric in the retail space — clocked in at 2.9%.

“We are driving our retail performance with a firm emphasis on fixing the fundamentals and improving our omnichannel customer experience,” said CEO Helena Foulkes.

With the stock sporting a price-to-sales ratio of 0.1, HBC’s downside might be more limited than you think.

Natural selection

Rounding out our list is **Encana** (TSX:ECA)(NYSE:ECA), which plunged 9% last week. Shares of the oil and natural gas specialist are now down a whopping 51% over just the past three months versus a slight 1% loss for the **S&P/TSX Capped Utilities Index**.

Slumping oil prices along with the company’s move to purchase fellow oil producer Newfield Exploration have weighed heavily on the stock. But the recent plunge could offer investors an attractive long-term opportunity.

“This strategic combination advances our strategy and is immediately accretive to our five-year plan,” Encana CEO Doug Suttles said of the Newfield acquisition. “Our track record of consistent execution gives us confidence to accelerate and increase shareholder returns.”

Encana’s extremely volatile shares aren’t for the risk averse. But at a forward P/E of 7.3, enterprising investors should take a closer look.

The bottom line

There you have it, Fools: three recently beaten-up stocks worth checking out.

As always, don’t view them as formal recommendations. Instead, see them as a jump-off point for further research. It’s very easy to fall into “value traps,” so plenty of due diligence is still required.

Fool on.

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2. TSX:SW (Sierra Wireless)

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Date
2025/06/30
Date Created
2018/12/17
Author
bpacampara