3 Stocks Trading Near Their 52-Week Lows That I'd Buy Right Now

Description

When a stock hits a 52-week low, it's a sign that things have been going badly lately. And if there don't appear to be big concerns surrounding the stock itself, then it could be a good buying opportunity for investors. Below are three stocks that have recently plunged and that could be bargain buys today.

Bank of Montreal (TSX:BMO)(NYSE:BMO) has declined by more than 15% over the past three months and recently hit a new low for the year at just over $86 a share. It has increased since then, and that could be a good sign that the stock is on its way to recovery. Even if it climbs back up to $100, that's a decent return that could be made for investors that buy the stock today.

Bank stocks are good long-term buys, and BMO is no exception. And so a dip in price makes them very appealing investments, especially since they also pay dividends as well. The company recently hiked its dividend, so now shareholders are earning $1.00 every quarter, which translates into a yield of about 4.5%, making it one of the better ones you can find among the big banks.

While BMO might not be the most popular bank stock, that also works in its favour, since there's more likelihood it'll stay under the radar and remain a good buy for longer.

TransAlta (TSX:TA)(NYSE:TAC) went off a cliff in December, as the stock dropped 20% of its value in just the past month. The company had announced its outlook for 2019, which did not impress investors who may have been hoping that TransAlta would have reduced spending rather than announce that it was investing in a gas pipeline and a wind project.

Given the concerns in the oil and gas industry, many companies are scaling back and trying to free up cash. However, it might be a bit of an overreaction, and investors should remember than TransAlta has generated free cash flow in each of the past four quarters, accumulating just under $500 million during that time.

The recent sell-off has put the stock at its low for the year, well below where it had been trading at for much of the year, and could make for a great buy as it is currently trading below book value.

Restaurant Brands International (TSX:QSR)(NYSE:QSR) has declined 10% in the past month, and it's only a few dollars away from its low for the past year. However, there hasn't been any big news surrounding the company that appears to have prompted the drop in price, meaning that it's likely a result of market-related concerns.

However, questions surrounding Tim Hortons and its growth potential have hurt the stock over the past year, which has been a bit volatile. And while I understand concerns regarding the brand, the constant lineups I see at the coffee chain every time I drive past it suggests to me that things are just fine, and that customers haven't been turned off by the brand just yet.

If Tim Hortons shows good growth in the company's next quarterly results, it could be enough to lift the stock to new heights and prove to be a great buy.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:QSR (Restaurant Brands International Inc.)
3. NYSE:TAC (TransAlta Corporation)
4. TSX:BMO (Bank Of Montreal)
5. TSX:QSR (Restaurant Brands International Inc.)
6. TSX:TA (TransAlta Corporation)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date
2025/08/16
Date Created
2019/01/03
Author
djagielski