



3 Stocks Hitting New 52-Week Lows

Description

Hello again, Fools. I'm back to draw attention to three stocks trading at (or near) 52-week lows. Why? Because the greatest gains in the stock market are made by buying solid companies

- during periods of extreme pessimism;
- when they're [being dismissed by Bay Street](#); or
- when they're trading [well below intrinsic value](#).

As the great Warren Buffett once quipped, "Whether we're talking about socks or stocks, I like buying quality merchandise when it is marked down."

Let's get to it.

Turning point?

Kicking off our list is **Crescent Point Energy** (TSX:CPG)(NYSE:CPG), whose shares hit a 52-week low of \$3.73 on Tuesday. The embattled oil and gas company is now off a whopping 60% over the past year versus a loss of 15% for the **S&P/TSX Capped Energy Index**.

Crescent is in survival mode amid the recent oil rout. Just last month, management announced a 30% reduction in its 2019 capital spending, and said it expects to generate production of 170,000-174,000 boe/day. The company also lowered its quarterly dividend from \$0.03 per share to \$0.01 per share.

"Due to our revised approach to capital allocation and taking into account improved overall efficiencies, our annual average production is unchanged from the prior year, net of dispositions," said President and CEO Craig Bryksa.

Crescent is a risky play. But at a forward P/E of seven, might be working taking on.

Losing fuel

Next up, we have **Westport Fuel Systems** ([TSX:WPRT](#))([NASDAQ:WPRT](#)), which hit a 52-week low of \$1.18 per share on Tuesday. Shares of the alternative fuel technologist are down 51% over the past six months versus a loss of 7% for the **S&P/TSX Capped Industrials Index**.

Triggering the most recent downturn was the resignation of Westport's CFO Michael Willis. The news is particularly worrisome because it comes before the company's looming Q4 results. Last quarter, Westport lost \$0.02 per share on just \$65.5 million in sales, so it's not like hopes were high to begin with.

The company is currently looking for a permanent replacement, with Willis available to help with the transition.

Westport shares are nearly three times as volatile as the overall market. So, if you want to jump in, be sure you can stomach the risk.

Bad technology

Rounding out our list is **Celestica** ([TSX:CLS](#))([NYSE:CLS](#)), which hit a new 52-week low of \$9.86 earlier this week. Shares of the IT company are now down 29% over the past six months versus a gain of 5% for the **S&P/TSX Capped Information Technology Index**.

The recent drop was triggered by poor Q4 results. During the quarter, EPS clocked in at \$0.29, missing the consensus estimate of \$0.31. And while revenue rose a solid 10%, free cash flow came in at a negative \$35.9 million.

"[W]e will focus our efficiency initiatives during the first quarter of 2019 on improving margins and better aligning this business to the current revenue environment," said President and CEO Rob Mionis.

With a price-to-sales of 0.2, betting on that optimism might make sense.

The bottom line

There you have it, Fools: three stocks at 52-week lows worth looking into.

They aren't formal recommendations, of course. Instead, view them as a starting point for further research. Trying to catch a falling knife can be hazardous to your wealth, so plenty of due diligence is still required.

Fool on.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:WPRT (Westport Fuel Systems Inc.)
2. NYSE:CLS (Celestica Inc.)
3. NYSE:VRN (Veren)
4. TSX:CLS (Celestica Inc.)
5. TSX:VRN (Veren Inc.)

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