



3 Large-Cap Stocks Near 52-Week Lows

Description

Perusing the list of stocks that are near 52-week low prices is always a good way to see which companies are currently out-of-favor. Sometimes it's small-cap stocks with limited histories, other times it's large companies with rock-solid balance sheets.

Looking at the list today, there's a wide variety of stocks being thrown out by investors. From energy and financials to manufacturing and industrial, most of the companies seem to be reliant on a strong economy. Others, however, could thrive in any conditions.

Here are three large-cap stocks near annual lows.

Magna International Inc. ([TSX:MG](#))([NYSE:MGA](#))

After hitting a high of \$67 per share in May, Magna International stock has drifted lower to around \$47 apiece at writing. Shares traded within this range as far back as 2014.

Are shares a bargain after the drop?

Magna International makes parts and accessories for vehicles, from seats to powertrains. As such, the company is completely dependent on the health of the automobile market.

With expensive equity markets, high debt loads, trade wars, and political turmoil across many parts of the world, investors have sold Magna International shares due to growing economic risks. If major economies move into recession, delaying the purchase of a new car will be an easy decision for millions of households, crippling Magna International's sales potential.

Long term, however, the company is positioned to benefit from a multi-decade trend: the shift to self-driving electric cars. As I [wrote](#) in March, Magna International has been putting the pieces in place to capitalize on this opportunity, including a new joint venture with Hasco to "deliver integrated e-drive powertrains directly to the Chinese market."

Economic swings could provide a bumpy ride, but any further dips could be an opportunity to capitalize on short-term pain for long-term gain.

Fairfax Financial Holdings Ltd ([TSX:FFH](#))

Prem Watsa, the head of Fairfax Financial, has long been known as Canada's Warren Buffett. Since 2006, shares have outpaced the TSX average by more than 250%.

Notably, there have been plenty of years of [underperformance](#). More often than not, these were great times to buy.

The company has some exciting new investments that should allow it to tap major growth opportunities over the next decade and beyond. For example, it owns large stakes in **Fairfax India Holdings Corp** ([TSX:FIH.U](#)) and **Fairfax Africa Holdings Corp** (FAH.U), giving investors the rare opportunity to invest in early-stage markets alongside a proven investor.

Husky Energy Inc. (TSX:HSE)

Shares of Husky Energy have fallen nearly 50% over the past six months, only recently touching a year-long low. The company's difficulties are well-documented.

In 2018, the province of Alberta experienced a massive oil glut that overwhelmed its transportation network. With extremely limited ways to transport output, oil companies were forced to bid aggressively against each other, pushing selling prices to decade-long lows.

To correct the imbalance, the government enforced strict production cuts across nearly every operator, which crushed Husky's stock given it needed to battle lower selling prices and limited production.

After the production cuts were put into effect, however, local crude prices rocketed higher. Still, Husky's share price remains depressed.

Fool contributor Matt Smith [thinks](#) now may be a great time to buy. "While WTI has gained 27% since the start of 2019, Husky has trailed behind losing roughly 3% of its value, creating an opportunity to acquire a quality diversified integrated energy major that's poised to soar," he recently wrote.

If oil prices can avoid another dip, Husky stock could be attractively priced at historical lows.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:MGA (Magna International Inc.)
2. TSX:FFH (Fairfax Financial Holdings Limited)

3. TSX:FIH.U (FAIRFAX INDIA HOLDINGS CORPORATION USD)
4. TSX:HFPC.U (Fairfax Africa Holdings Corporation)
5. TSX:MG (Magna International Inc.)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/09/30

Date Created

2019/03/25

Author

rvanzo

default watermark

default watermark