



These Precious Metal Stocks Are Hitting 52-Week Lows Right Now

Description

While a casual glance at lists of stocks trading at 52-week lows usually comes up with at least a few [metal and mining stocks](#), this one industry seems to dominate today's list of low-flying tickers, with a slew of miners trading at year-long lows. The following TSX index stocks represent some of the bigger cap miners with moderate to strong sell signals.

Two big-name precious metals stocks are going cheap

While a lot of small cap miners are undersold at the moment, a few bigger names have found their way into the list. One of those is precious metals stock, **Guyana Goldfields** (TSX:GUY). Getting a sell signal currently, Guyana Goldfields may be disappointing shareholdersthough an oppor, tunist looking for good value for money in a [desirable gold stock](#) should take a closer look.

Down 19.01% in the last five days at the time of writing, Guyana Goldfields looks like a falling knife at a glance. Trading at less than half its future cash flow value, its P/B ratio of 0.3 times book signals definite undervaluation in terms of assets, though a P/E ratio of 24.4 times earnings suggests that overvaluation based on earnings in relation to both the TSX index itself and the industry.

Another stock with a sell signal at the moment, **Fortuna Silver Mines** ([TSX:FVI](#))([NYSE:FSM](#)) may not be the most popular of stocks right now, though silver bulls have a clear value opportunity here. Down 11.69% in the last five days to a year-long low of \$4.20 a share, Fortuna Silver Mines is one to snap up when it hits its nadir.

A flawless balance sheet meets good value for money in Fortuna Silver Mines, with a discount of 70% off its future cash flow value, a PEG of 0.8 times growth and a P/B ratio to match. Over the next one to three years, Fortuna Silver Mines' earnings are expected to grow by 19.5%, continuing a positive run exemplified by a five-year average past earnings growth of 58.9%.

What else is trading at a 52-week low?

It's not just metal and mining stocks that are scraping the bottom of the barrel at the moment: kids' products manufacturer **Dorel Industries** ([TSX:DII.B](#)) is currently trailing at \$11.92. With a so-so balance sheet and some growth ahead, it's a something-or-nothing investment for newcomers, though current shareholders should be aware that it's getting a strong sell signal right now.

Despite being down 7.04% in the last five days, Dorel Industries is still intrinsically overvalued, trading at around double its future cash flow value at writing. However, it's also trading at half its book price, so it's up to value investors to decide which indicator they put the most faith in. An expected 137.1% annual growth in earnings suggests that shareholders may want to stay invested, while offering an incentive to high-growth investors.

The bottom line

Why should a precious metals bull buy a stock like Guyana Goldfields right now? Based on its fundamentals, a 23.8% annual growth in earnings may be on the way for the next one to three years, though a value opportunist may want to wait for that downward momentum to run out of steam first. It's a similar story with Fortuna Silver Mines, leaving the question of whether to buy or sell down to how bullish one is on gold and silver prices in 2019.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:FSM (Fortuna Silver Mines)
2. TSX:DII.B (Dorel Industries Inc.)
3. TSX:FVI (Fortuna Silver Mines)

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