



TFSA Bargains: 3 New Stocks on Sale to Buy Now

Description

Hi there, Fools. I'm back to highlight three stocks that fell sharply last week.

Why?

Because the biggest gains in the stock market are made by buying solid companies: during times of [maximum pessimism](#); when they're being ignored and forgotten by Bay Street; or when they're available at a steep discount to intrinsic value.

Going against the herd remains the most fundamental way to build wealth. And it's especially effective [within a TFSA account](#) where the gains are tax free.

Let's get to it.

Silver lining

Leading off our list is development-stage silver miner **MAG Silver** ([TSX:MAG](#))(NYSE:MAG), whose shares sank 5.5% last week.

The dip was triggered by disappointing full-year results: in 2018, the company posted a loss of \$0.07 per share. On the bright side, management said that it continues to make solid progress at its key Juanicipio mine in Mexico. Moreover, MAG remains debt free with about \$130 million in cash in its coffers.

"We are pleased with the progress we are making with our JV partner Fresnillo, finalizing construction and operating agreements, and look forward to commencing the process plant construction in the near term," said President and CEO George Paspalas.

Even after the recent dip, MAG shares remain up 35% in 2019.

Hard choice

With a loss of 6% last week, specialty hardware company **Richelieu Hardware** ([TSX:RCH](#)) is next on our list.

Richelieu also failed to impress investors with its most recent results. In Q1, earnings per share declined 14% to \$0.18 as sales increased just 2% to \$226.2 million. Management cited the overall decline in hardware retailers for the disappointing quarter and reassured investors that it didn't lose any market share among competitors.

"We believe we will recoup these sales in the coming quarters given their cyclical nature," said President and CEO Richard Lord. "Our financial position is impeccable, almost debt free, allowing us to pursue our growth strategy."

Shares of Richelieu are now down 19% over the past six months and currently offer a dividend yield of 1.1%.

Palladium pullback

Rounding out our list is palladium producer **North American Palladium** (TSX:PDL), whose shares plunged 15% last week.

Palladium prices soared at the start of 2019, but a recent 13% pullback has sent palladium stocks plunging. On the bright side, North American's fundamentals remain solid.

In 2018, the company produced 237,461 ounces of payable palladium, up 18% over the 201,592 produced in 2017.

"2018 was another year of steady growth and strong operational and safety performance for the Lac des Iles Mine," said President and CEO Jim Gallagher. "Our team has worked hard to safely deliver increased production throughout the year, reaching the upper range of our production guidance."

The stock is now off a whopping 51% from its 2019 highs and trades at a paltry P/E of 6.2. at writing.

The bottom line

There you have it, Fools: three contrarian stocks worth checking out.

Don't view them as formal recommendations. Think of them instead as a starting point for more homework. 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

2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSEMKT:MAG (MAG Silver Corp.)
2. TSX:MAG (MAG Silver Corp.)
3. TSX:RCH (Richelieu Hardware Ltd.)

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