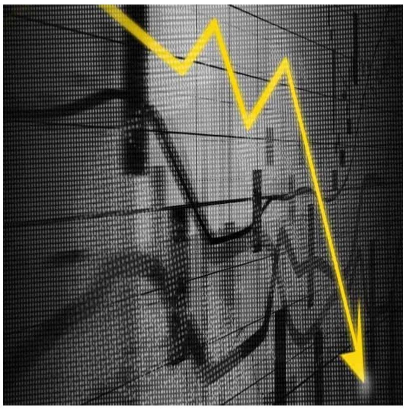

3 Stocks Near Their 52-Week Lows That Could Be Bargain Buys Today

Description

Buying low and selling high is a way to make money that never goes out of style. And when stocks fall to around their 52-week lows, it's an opportunity for investors to consider buying up the stocks at a reduced price. While it's not a good reason to buy solely based on that criteria, it's good to do an analysis nonetheless. Below are three stocks that are hovering near their lows for the year that might make for great investments today.

Norbord (TSX:OSB)(NYSE:OSB) has fallen more than 11% in share price over the past three months. Despite the company posting record numbers in its year-end earnings report, Norbord recorded a loss for the quarter, as impairment charges pulled its bottom line into the red. However, besides that blemish, Norbord has had few problems in the past with staying in the black; it has averaged a profit margin of more than 22% over the previous four quarters.

That's a great margin by any standard and makes Norbord an attractive buy. It's also priced very modestly, as the stock trades at a price-to-earnings (P/E) ratio of just eight. It's an appealing value buy that could have a lot of potential growth as a key driver behind its results will be the strength of the housing market in North America. And although prices for homes may be high, with growing economies in both Canada and the U.S., long term, I don't see it as a big concern for the stock.

Sleepy Country Canada Holdings (TSX:ZZZ) hit a new 52-week low in trading to close out last week, as the stock has lost half of its value in just the past year. Unfortunately, with sales growth of just 3.9% in its most recent quarter, the company hasn't given investors many reasons to get excited about its earnings results. In March, Sleep Country also announced the resignation of its CFO, Robert Masson. While turnover is a regular part of the business and doesn't mean that anything is necessarily wrong with the company, it's still something that can weigh on the minds of investors, especially when results haven't been strong.

However, during each of the past five quarters, Sleep Country has been able to produce a consistent profit, and revenues for the year were up 6% from 2017. The mattress retailer trades at a modest P/E of around 12 and 2.3 times its book value, making it another good value option for investors.

Dorel Industries (TSX:DII.B) is another stock that's been struggling of late, declining by around 30% in just the last three months. The stock went over a cliff when the company reported its Q4 results back in March; challenging results in retail showed little year-over-year growth and Dorel cut its dividend and recorded a sizable impairment loss that put the company into the negative.

It was a bad quarter for Dorel that sent it to a new 52-week low. While there's definitely some risk with this stock, at a price-to-book ratio of just 0.7, investors would be buying the share at a big discount. Overall, there's still hope for Dorel to bounce back, as the past few years have been difficult, with problems related to Toys "R" Us causing havoc for the stock. The company is well diversified and still has a lot of potential, especially as the U.S. retail market stabilizes.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

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2. TSX:ZZZ (Sleep Country Canada)

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