Cheap Investors: 3 Stocks at 52-Week Lows to Buy Right Now

Description

Everyone loves a great deal, and no one more than the savvy investor. The best news is that at some point, every stock can be considered a deal, but it's the outlook and historical performance that will tell you whether that stock is worth your time and – more important – your money.

Right now, there are a few stocks out there at 52-week lows that analysts would consider a great deal. Each stock has its own reason for dropping in share price, but the main point is that each stock's future looks much brighter than its present.

By buying up these stocks at the right time, investors can set up their Tax-Free Savings Accounts (TFSA) to make a killing over the next few years, or even decades. All without the government touching a single dime.

So let's take a look at which stocks are trading at bargain-basement prices.

Encana

This energy company focuses on the development, exploration, production and marketing of hydrocarbons throughout North America. The company owns assets of prime real estate that have created some pretty profitable opportunities that would take decades to complete.

Half of these assets are actually considered "premium," part of **Encana Corp.** (TSX:ECA)(NYSE:ECA)'s transformation process that began about five years ago. The company sold assets and now focuses on high-quality additions to its portfolio, increasing the firm's profits — yet this stocks has plummeted in the last year.

The stock traded around $17 per share as of last September, but has since sunk to around $6.50 per share at writing, right around its 52-week low. This is mainly due to the company still being in a transformation phase and the oil and gas industry as a whole. Analysts believe that in the next five years, as oil and gas rebounds and the transformation starts producing profits, Encana stocks should soar.

Vermilion

Vermilion Energy Inc. (TSX:VET)(NYSE:VET) is in much the same scenario as Encana, with high share prices near $50 back in the summer that have since shrunk almost in half to around $26 per share at writing. The energy company has also been hit hard by the oil and gas industry, but has a promising future outlook that investors should be studying hard.

Analysts believe that as the oil and gas industry improves, so should this stock. After all, production is rising 2% year over year, with funds from operations up 14%, with 19% in production growth for this year. This led to the company making two acquisitions last year, a continuation of its growth trend that's been in place since 2013.

The main thing that has kept investors wary (other than the markets) is that since the company is making these acquisitions, the company's almost 9.93% dividend could be under threat. But as these new acquisitions come online, that dividend should soon be safe again — this time for decades.

SNC-Lavalin

Finally, we have **SNC-Lavalin Group Inc.**, probably not your favourite choice among these three, but an opportunity nonetheless. It's no secret that the company has been mired by controversy for decades, with the engineering and construction firm consistently being accused of bribery and corruption. In fact, it could face a 10-year ban from bidding on Canadian federal government projects in the future.

So this stock doesn't come without risks, but at half of where it was a year ago, it also doesn't come without opportunities. With CEO Neil Bruce stepping down, the shake-ups have already begun to get this stock back on its feet.

In fact, the firm has a backlog of successful acquisitions that it will hopefully start up again soon to bring in cash and investor confidence. But along with that, the company needs to prove that even a hint of corruption or bribery allegations are far behind them.

Foolish takeaway

Each one of these stocks comes with both an opportunity and a risk, but so do all investments. It's important to do your own research and figure out which of these stocks could be right for your portfolio. The bottom line here is that each has the potential for some incredible growth in the relatively near future.

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