



These Were the Worst-Performing Stocks on the TSX Last Week

Description

The **S&P/TSX Composite Index** finished the week of June 24-29 down 0.9% — one of the weakest performances turned in last week by a developed country.

Only the healthcare sector managed to eke out gains last week, despite energy prices and a rise in the Canadian dollar.

As far as stocks go, these are three of the worst performers on the week.

BlackBerry

Waterloo-based software and services company **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) reported first-quarter earnings last week, and while it earned \$0.01 a share, a penny better than expectations, revenues missed by a couple of million, coming in at \$351.85 million.

It wasn't so much missing analyst expectations on overall revenue as it was the disappointing results from its \$1.4 billion acquisition of cybersecurity firm Cylance in February. Cylance delivered \$32 million in revenue in the first quarter ended May 31 — a much less robust contribution than expected.

BlackBerry shares lost almost 10% on the day of the news. It finished the week off by 12.8%.

Shopify

On June 25, **Shopify's** ([TSX:SHOP](#))([NYSE:SHOP](#)) stock dropped by almost 9%, its biggest drop of 2019.

However, in the case of the e-commerce platform company, the share slide has less to do with any performance-related issues and everything to do with a valuation that's out-of-this-world expensive. In the past two months, five analysts have downgraded its stock due to an excessive valuation.

Wedbush analyst Ygal Arounian downgraded the stock from buy to neutral June 25: “We take a step back on shares to digest the 125% YTD increase ([versus] 21% for the Nasdaq), premium valuation and new product announcements,” Arounian wrote in a note to clients.

Although some analysts have backed off the stock, 15 still maintain a buy rating out of 28 covering SHOP stock.

MAV Beauty Brands

It wasn't a good week for the Toronto-based cosmetics and skincare company **MAV Beauty Brands** ([TSX:MAV](#)), losing 13.3%. It's now down 40.5% year to date through June 28. Momentum has caught hold of MAV stock, and not in a good way.

Part of the reason for such a significant loss in market value is the fact that its Q1 2019 results (announced in mid-May) included zero growth in revenue and a 27% decline in adjusted net income. That said, it managed to grow its free cash flow in the first quarter to \$0.3 million from \$0.1 million a year ago.

MAV Beauty went public last July at \$14. Now trading at less than two times sales, it's become a value play for aggressive small-cap investors.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:BB (BlackBerry)
4. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

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

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/09/29

Date Created

2019/07/02

Author

washworth

default watermark

default watermark