



3 Stocks That Could Hit Oversold Territory This Week

Description

If you're looking for some deals, there could be more than a few that become available this week. Many stocks have been struggling lately and could be about to become oversold, and that might be good news, as a turnaround might be in the cards. Below are three stocks that investors may want to keep a close eye on this week.

Loblaw Companies ([TSX:L](#)) has had a decent year so far in 2019 with its share price up around 10%. However, in just the last month, the stock has fallen more than 4%, and if it declines to \$65, where it has had strong support for much of the year, it could prove to be a good buy on the dip. One way to measure whether a stock has reached oversold or overbought status is by looking at its Relative Strength Index (RSI), which looks at price movement over the past 14 trading days and whether losses have outweighed the gains too heavily during the period and vice versa.

In Loblaw's case, its RSI closed the week at 38 and earlier came close to 30. Anything below that threshold indicates a stock has seen a lot of selling, and it's considered to be oversold. Although there hasn't been anything significant relating to Loblaw lately that likely would have caused the drop in price, it could just be due to a big investor selling the stock for various reasons. Nonetheless, it could be an opportune time for investors to buy the stock if it falls even further as a result of the bearish momentum.

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) has been in and out of oversold territory lately due to a [disappointing quarterly performance](#) that resulted in investors souring on the stock very quickly. However, with there still being lots of positives around the company, and with BlackBerry stock trading at just two times its book value, it could be a good value buy today.

The company saw a lot of good growth in its most recent earnings report, and there are definitely a lot of reasons to be excited for its future, especially when you consider the strong margins that it has been able to produce in recent quarters. BlackBerry's focus on becoming a premiere cybersecurity brand is one reason that the company could see a lot of long-term growth, especially with consumers and companies being more concerned about their privacy and security online. There's a lot of growth potential here, and if the stock dips any further, it could become an even better buy today.

Spin Master ([TSX:TOY](#)) finished the week at an RSI of just over 33, as concerns surrounding the retail industry have not gone away. And that's been a big reason that the stock hasn't been able to sustain any momentum this year; it's down 2% since January and 34% over the past 12 months. When Toys "R" Us announced it was closing its stores in the U.S., it wreaked havoc on Spin Master's results, making the stock a strong sell for investors.

However, with rumours of a small revival of Toys "R" Us happening, we could see a recovery in Spin Master stock as well. A lot depends on the scale of the revival as a strong retail network is going to be crucial for getting Spin Master products on store shelves to help grow sales. The company has been able to double its top line over the past four years, and that could be a trend we continue to see. Although it has suffered a setback, the stock could be a good bet to rebound, as it has markets outside the U.S. that could still drive a lot of [growth](#).

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)
3. TSX:L (Loblaw Companies Limited)
4. TSX:TOY (Spin Master)

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