These Quality Canadian Stocks Are Trading at 52-Week Lows

Description

When the markets go down, not every stock deserves your attention. However, you should have some idea where to turn to when there's a downturn. Quality stocks pop up all over the place, and if you're a patient investor looking for a long-term hold, that means the markets are ripe with opportunity.

Three stocks I would at least consider right now are **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM), **Imperial Oil** (TSX:IMO)(NYSE:IMO), and **Canopy Growth** (TSX:WEED)(NYSE:CGC).

CIBC

The markets have been hard on CIBC. While one of Canada's Big Six Banks, it's also the most Canadian bank with the most exposure to the housing market. When the recession hits, many analysts fear CIBC could be hit hard, and they're probably right. After all, its most recent report wasn't exactly full of great news.

The bank topped analyst estimates, reporting revenue of $4.73 billion, but with net income falling by 13% compared to the same quarter last year. As those results are still fairly low, the stock has yet to rebound. This leaves a great opportunity for investors to pick up this quality stock on the cheap, as the stock looks oversold with an incredible dividend yield of 5.63% as of writing.

Imperial Oil

What investors really like about Imperial Oil is that it's an integrated company, not an oil producer. That means it can maintain its cash flow even through weak oil prices, as it drills, produces, refines, and sells its own product. Yet again, because of the weak oil and gas industry, shares of this company have hit a 52-week low at around $32.50 per share.

Imperial really doesn't deserve such a slump, as the company is well on track to hitting its estimates. The company reported its second-quarter results with net income at $1.2 billion. Meanwhile, it also offers a 2.78% dividend yield, which, while it isn't the highest, does offer something for investors to take advantage of while they wait for prices to rebound.

Canopy Growth

I'll be the first to admit that things could get worse for Canopy before they get better. The last-quarter results were terrible news for investors, with the company reporting a $1.28 billion loss after **Constellation Brands** extinguished warrants worth $1.18 billion. Yet the company remains optimistic that it can recover quickly, and there are a few factors affecting this optimism.

First, Canopy still has a ton of cash on hand to pay down these losses from partnerships. Second, the company is now looking to cut back and put a hold on acquisitions so that it can stop bleeding cash and work on production instead. If it can achieve these two things, Canopy believes it can still hit $1 billion revenue in 2020, with profit in the next three to five years. With shares trading at about $32 as of writing, that could mean the stock is a steal right now. In fact, it even has ousted founder and CEO Bruce Linton picking up shares.

Foolish takeaway

While it does take some patience, these stocks certainly have the quality to become great long-term investments. Investors looking for a bargain to beef up their portfolios really can't go wrong considering any of these options moving forward.

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2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. NYSEMKT:IMO (Imperial Oil Limited)
4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:IMO (Imperial Oil Limited)
6. TSX:WEED (Canopy Growth)

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