3 Stocks Bouncing off 52-Week Lows

Description

For the rebound hunters out there, it can pay dividends to look to battered names that have begun rallying off their 52-week lows. The following stocks have recently bounced off 52-week lows that were either at or near strong levels of technical support, providing a compelling entry point for investors who seek value and strong technicals.

Without further ado, consider the following names in descending order of risk:

Canopy Growth

Starting off the list, we have **Canopy Growth** (TSX:WEED)(NYSE:CGC), the Canadian cannabis kingpin that's been leading the industry's recent downward charge.

The stock plunged over 55% from peak to trough, but has since begun to pick up traction, with shares soaring 17% since late August, around the same time I alerted Foolish investors that the stock had hit a massive "buy" signal.

The recent **CannTrust Holdings** debacle likely took a ton of hype out of cannabis stocks as a whole despite the looming edibles tailwind that many cannabis producers are prepping for.

Add the recent ousting of a handful of big-league cannabis CEOs, including Canopy's Bruce Linton, and it's not a mystery as to why the cannabis stocks have fallen into a hangover.

The fact that Canopy held above support at above $30 is encouraging. Although shares are absurdly expensive based on traditional valuation metrics, I do believe the stock remains undervalued given the significant growth that's just around the corner.

Bank of Montreal

Bank of Montreal (TSX:BMO)(NYSE:BMO) shares have been treading water of late due to macro pressures that have affected Canada's top financial institutions. The banking headwinds have indeed taken their toll on most banks, and with a few, if any, catalysts to look forward to, it's not a mystery as to why many Canadian banks have been slapped with "hold" ratings by overly pessimistic analysts.

BMO managed to increase its adjusted EPS by a meagre 1% for the third quarter with a PCL ratio that crept higher and prompted many investors to throw in the towel at a time when many other banks had posted better-than-feared results.

Although BMO's recent results were discouraging, the current valuation (9.3 times forward earnings) and the 4.5% dividend yield is compelling for those willing to go against the grain.

Canadian Natural Resources

Finally, we have troubled oil sands kingpin **Canadian Natural Resources** (TSX:CNQ)(NYSE:CNQ), whose stock has always been a stomach-churning rollercoaster ride.

The extremely volatile oil kingpin has fallen further into the abyss recently, and with curtailments to extend through 2020, Canadian Natural has few if any, catalysts to look forward to.

The company does have a wealth of unmatched assets, however. Sure, management won't be able to really turn on the taps until it's more economical to do so, but in the meantime, investors should be satisfied with the 4.8% dividend yield, which remains safe and sound thanks to CNQ's integrated businesses.

At the time of writing, shares of CNQ trade at 6.4 times EV/EBITDA and have begun bouncing off the $30 level of support. If you're looking for an attractive dividend at a bargain-basement price, it's tough to find anything better than CNQ at this juncture.

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TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. NYSE:BMO (Bank of Montreal)
3. NYSE:CNQ (Canadian Natural Resources)
4. TSX:BMO (Bank Of Montreal)
5. TSX:CNQ (Canadian Natural Resources Limited)
6. TSX:WEED (Canopy Growth)

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Date
2025/08/25
Date Created
2019/09/13
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