Attention TFSA Users: 3 Ultra-Rare TSX Stocks Hitting New 52-Week Lows

Description

Hi there, Fools. I'm back to call attention to three stocks at new 52-week lows. Why? Because the big gains in the stock market are made by buying attractive companies during times of maximum investor pessimism; and when they're available at a clear discount to intrinsic value.

As legendary value investor Warren Buffett once quipped, "Whether we're talking about socks or stocks, I like buying quality merchandise when it is marked down."

With the **S&P/TSX Composite Index** trading near record highs, the three stocks below are rare bargains for any TFSA portfolio.

Seared to perfection

Leading off our list is restaurant operator **Keg Royalties Income Fund** (TSX:KEG.UN), which is down about 11% over the past six months and currently trades near 52-week lows of $15.17 per share at writing.

Slowing same-store sales growth and macroeconomic concerns have weighed heavily on the stock, but now might be an opportune time to pounce.

In the most recent quarter, earnings slipped 2% to $6.2 million as gross sales decreased 3.5%. On the bullish side, distributable cash flow clocked in at a still-solid $4.2 million while the company remains financially solid with cash on hand of $2.3 million.

"Management of Keg Restaurants Ltd. expects that as economic conditions and consumer sentiment continue to improve in North America, sales for The Keg will also improve, leading it to once again outperform the full-service category with respect to same store sales growth," wrote the company.

Keg currently offers a juicy dividend yield of 7.4%.

Heading South

Next up, we have discount grocery store operator **North West Company** (TSX:NWC), whose shares are down about 13% over the past six months and currently trade near 52-week lows of $27.18 per share at writing.

North West saw decent sales momentum in 2019, rendering it a particularly attractive value play for 2020. In the most recent quarter, for example, EPS clocked in at $0.49 as revenue improved 3% to $519.5 million.

While earnings declined year over year, North West's gross margin expanded 53 basis points, thereby suggesting that its competitive position remains strong.

"We have good sales momentum in all banners heading into the final weeks of holiday selling and we expect net margin rates to be up over last year, building on our third quarter trends," said CEO Edward Kennedy.

North West currently offers a fat dividend yield of 4.8%.

Juicy opportunity

Rounding out our list is healthy juice specialist **Lassonde Industries** (TSX:LAS.A), which is down more than 20% over the past year and currently trades near 52-week lows of $151 per share.

The stock has been pressured by rising costs and slowing growth, but for enterprising value hounds, Lassonde might now be too cheap to pass up. The shares declined in November after EPS declined 14% to $2.21 and revenue improved just 1% to $423 million.

"Selling prices continue to be adjusted in the U.S. market but at a pace not sufficient to offset cost increases," cautioned CEO Nathalie Lassonde in a press release.

That said, Lassonde now trades at a seemingly cheapish forward P/E in the mid-teens and offers a dividend yield of 1.5%.

The bottom line

There you have it, Fools: three ice-cold stocks worth checking out.

As always, don't see them as formal recommendations. Instead, view them as a starting point for more research. Trying to catch a falling knife can be hazardous to your wealth, so plenty of homework is still required.

Fool on.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:KEG.UN (The Keg Royalties Income Fund)
2. TSX:LAS.A (Lassonde Industries Inc.)
3. TSX:NWC (The North West Company Inc.)

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1. Investing

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