3 Stocks That Haven't Recovered From the Last Market Crash

Description

On March 23, the TSX hit a low of 11,172.70. It has recovered since then and today sits at well over 16,000. Many stocks are doing better than they were before the crash, but some are still struggling. Below are three stocks that haven't fully recovered from the crash and that investors remain bearish on. Let's take a closer look if any one of these stocks could be good contrarian buys today.

Rogers

Rogers Communications (TSX:RCI.B)(NYSE:RCI) is down 16% so far this year, and since March 1, it's still down 12%. Although it's up from its 52-week low of $46.81, it's still not doing a whole lot better than before the markets went over a cliff.

One of the reasons is likely because the company hasn't been doing particularly well during the COVID-19 pandemic. While some businesses, particularly ones focused on tech, have seen growing demand for their products and services, the same can't be said for Rogers. On July 22, the Toronto-based company released its second-quarter results for the period ending June 30, and sales of $3.2 billion were down 17% year over year. Wireless revenue was down 14% while its media segment suffered the largest decline at 50%. The company blamed the disappointing period on less roaming revenue and a drop in demand for advertising.

Shares of Rogers are currently trading at 14 times their earnings and 2.7 times book value. It's a cheap value stock that doubles as a great income investment, currently paying shareholders a dividend yield of 3.7%.

Cineplex

Cineplex (TSX:CGX) stock has fallen a staggering 75% this year, as its losses have been among the worst on the TSX. And there's little wonder why, as the company's coming off a quarter where its sales were down 95% from the prior-year period. Things could get better for the movie theatre operator as in August it began reopening theatres, and with the economy slowly getting back to normal, it's likely that its sales for the upcoming quarter won't be nearly as bad as they were in Q2.

It's likely a distant memory for Cineplex shareholders, but the stock traded above $30 per share as recently as March. However, without a significant turnaround in the economy, and COVID-19 suddenly disappearing, and people flooding theatres, it's not likely the stock will get back to those levels anytime soon. At this rate, investors should be relieved if the stock doesn't decline any further. In just three months, Cineplex stock has fallen around 30%.

The company's incurred two straight losses, and more are likely around the corner.

Bombardier

Bombardier (TSX:BBD.B) was already a bad stock before the pandemic, and now it's even worse. Down 77% this year, it's actually performing worse than Cineplex. In early March, its stock was still holding strong at around $1 per share, and now staying above $0.40 is an accomplishment.

The company's announcement in February that it would be selling its rail business and focusing on business aviation could prove to be catastrophic for the business amid a global pandemic. Like Cineplex, this is a company that's facing significant challenges right now, where simply surviving will be an accomplishment.

But Bombardier hasn't exactly been a safe investment over the years. Its stock has lost 97% of its value since the turn of the millennium and has been one of the worst stocks to own on the TSX during the past two decades. While speculators may be able to turn a profit, playing off the stock's volatility, this is not an investment that's suitable for the majority of investors.

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TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. TSX:BBD.B (Bombardier)
3. TSX:CGX (Cineplex Inc.)
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