



3 Beaten-Down TSX Stocks Near 52-Week Lows

Description

Looking for beaten-down stocks near 52-week lows?

If so, you'll be hard-pressed to find them. The post-COVID rally has taken stocks to record highs, and at this point, most **TSX** equities are up at least a little over the past year.

With that said, there are some beaten-down TSX stocks out there if you know where to look. Most of these stocks are in industries like gold mining and cannabis — industries that haven't been doing all that well lately. They're down for a reason, but they could rise in the future. With that in mind, here are three TSX stocks trading at or near their 52-week lows.

Canopy Growth

Canopy Growth ([TSX:WEED](#))(NYSE:CGC) is a [Canadian cannabis stock](#) that has been trending downward ever since legalization hit in 2018. Like most cannabis stocks, it rose dramatically in the lead-up to legalization but fell afterward. Today, it trades for \$21.25, just a little above its 52-week low, which was in the high teens.

Why has Canopy fallen off so much?

First, there are sector-wide trends to consider here. Cannabis stocks broadly disappointed investors after legalization hit. Their sales grew dramatically but losses grew even more and the sales growth later decelerated. Canopy is in the same boat as its peers in that regard, so it's not surprising that investors are souring on it.

Second, Canopy's most recent quarter was very mixed. With \$392 million in net income, earnings did beat analysts' expectations, but operating income and cash flow were both negative. This suggests that Canopy's \$392 million in earnings were not well supported by cash results and probably influenced by non-cash gains.

Barrick Gold

Barrick Gold ([TSX:ABX](#))(NYSE:GOLD) is another **TSX** stock that is currently just a little above its 52-week low. It currently trades for \$25.75; its 52-week low was around \$23.75. This one is pretty easy to explain. Barrick Gold is a company that mines gold and other metals. Gold's price has been trending down over the past year, [sliding 6.38% in 52 weeks](#). When the price of gold falls, Barrick makes less money off the gold it mines. On the plus side, the company is increasing its volume of gold output, so revenue is at least rising. But earnings will decline if the price of gold goes much lower.

Facedrive

Facedrive (TSXV:FD) is a bizarre TSX tech company with widely varying business activities. It started off as a ride-sharing company, then later branched out into grocery delivery and medical tech. It made headlines when it first went public, as it grew earnings from \$36,000 to \$380,000 — a year-over-year increase in excess of 1,000%. While that's an impressive growth rate, remember the tiny base amount.

The average salaried Canadian worker makes more than \$36,000 in a year, so of course, a venture-backed tech company can grow massively starting from so little. This company's mission is vague and seems like it might be trying to court interest from ESG funds. I'm not really surprised FD is at a 52-week low given that the company looks like it's up to some questionable things.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Metals and Mining Stocks

TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. NYSE:B (Barrick Mining)
3. TSX:ABX (Barrick Mining)
4. TSX:WEED (Canopy Growth)
5. TSXV:STER (Facedrive Inc.)

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