



Got \$1,000? These 2 Canadian Stocks Are Near 52-Week Lows

Description

If you've got an extra \$1,000 to invest, now is as good a time as any to put it to work, with a potential period of seasonal strength in the Santa Claus rally just up ahead. Undoubtedly, valuations are still hot on a wide range of high-flying Canadian stocks. But there are bargains buried beneath the big 2021 winners on the 52-week low list. Still, just because a stock is oversold doesn't mean it's [undervalued](#). That said, certain firms tend to be oversold on news that may not be nearly as material to the long-term fundamentals. And if you spot a stock [lurking](#) at or around those 52-week lows, feel free to pick up some shares if it's mostly noise behind a name's decline.

In this piece, we'll look at two compelling 52-week low stocks that could reverse abruptly and perhaps even outpace the broader **TSX Index** in the new year. Consider **Badger Infrastructure Solutions** ([TSX:BDGI](#)) and **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD). The two TSX dogs of 2021 currently find themselves down 20% and 25%, respectively, year to date.

Badger Infrastructure Solutions

Badger Infrastructure Solutions, previously known as Badger Daylighting, has been under considerable pressure for most of the year, tumbling on the back of meagre earnings reports. Indeed, it's been a slog for the hydrovac excavation play. Looking into the new year, however, there are some things that could improve. Badger's margins haven't lived up to expectations, but that could change, as the firm takes a step back to iron out the wrinkles at the idiosyncratic level. Further, many oil and gas players are likely going to ramp up their businesses, especially if oil makes a run for the US\$100 mark, as some pundits expect.

The environment looks good, and if Badger can relieve some of its margin pressures, the upside in the stock could be huge. Simply put, Badger has been beaten down so badly that it won't take much to move the needle much higher. With shares fresh off a 33% decline off 52-week highs, the risk/reward looks good for the Calgary-based firm. In due time, the stock will see the light of day again once it's dug itself out of the hole it dug itself in this past year.

Barrick Gold

Barrick Gold cannot catch a break these days. As a levered way to play the price of gold, Barrick has been dealt a huge punch to the gut this year. For gold investors, it's aggravating, given many likely wanted a safe place to perform well amid higher levels of inflation. In the era of crypto, however, gold has lost its shine. For how long? It's hard to tell. Probably after the next cyclical downturn in the crypto markets. Indeed, **Bitcoin** is wildly volatile and is not a great store of value when times get really tough, given the positive correlation to stock markets during crash conditions.

Personally, I favour gold over millennial gold and would be a buyer of Barrick here, as the nearly 2% dividend yield is more than enough incentive to wait for precious metal prices to pick up traction once again. Barrick is well managed with some of the better fundamentals in the industry. Although I'm not against buying cryptocurrencies in addition to the gold miners, I think the wisest long-term bet would be to bet more heavily on top-tier gold miners like Barrick while they're down and out.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)
3. TSX:BDGI (Badger Infrastructure Solutions Ltd.)

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Date

2025/08/24

Date Created

2021/12/20

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