3 TSX Stocks That Sank to 52-Week Lows: Should You Buy the Dip?

Description

The **S&P/TSX Composite Index** suffered another triple-digit loss on February 17. North American markets have continued to struggle with volatility in the face of rising geopolitical tensions between Russia and Ukraine. Moreover, there is considerable anxiety in the investing world, as we move closer to yet another rate decision from the United States Federal Reserve and the Bank of Canada (BoC) in March. Today, I want to look at three TSX stocks that slipped to a 52-week low this week. Are these equities worth buying on the dip? Let's jump in.

Why this tech stock has been pummeled to start 2022

BlackBerry (TSX:BB)(NYSE:BB) should need no introduction for Canadian investors at this stage. The Waterloo-based technology company had transitioned to a software-focused business since it was muscled out of hardware by iPhone and Android competitors. This company holds promise, but at times, it has felt like one step forward and two steps back, as it looks to establish itself in new sectors.

Shares of this TSX stock fell to a 52-week low of $8.68 during yesterday's trading session. BlackBerry stock has dropped 26% in 2022 as of close on February 17. Its shares are down 37% from the previous year.

The company boasts exposure to fast-growing spaces like cybersecurity and vehicle software. Indeed, its QNX software is embedded in over 200 million automobiles around the world. However, there is stiff competition in these sectors. BlackBerry's earnings breakout remains elusive, which has encouraged skepticism.

Despite the setback, I still like this TSX stock as a long-term play. BlackBerry is trading in favourable territory relative to its industry peers. Moreover, it is still geared up for solid earnings growth in the quarters ahead.

Here’s another TSX stock in the tech space to target in late February

Sangoma Technologies (TSX:STC) is a Markham-based company that develops, manufactures, distributes, and supports voice and data connectivity components for software-based communication applications. This TSX stock fell to a 52-week low of $16.15 on February 17. Its shares have plunged 25% in the year-to-date period.

The company released its second-quarter fiscal 2022 earnings on February 10. Sangoma reported record sales of $54.2 million in the second quarter — up from $27.09 million in the previous year. Meanwhile, gross profit soared 120% year over year to $39.4 million. Moreover, adjusted EBITDA nearly doubled to $10.4 million.

This TSX stock is trading in attractive value territory relative to its industry peers. Shares of Sangoma stock last had an RSI of 29. That puts this TSX stock in technically oversold territory at the time of this writing. I’m looking to snatch up Sangoma after its big dip in February.

This TSX stock has been throttled since October 2021

Boyd Group (TSX:BYD) is the third TSX stock that has been pummeled in February. This Winnipeg-based company operates non-franchised collision repair centres in Canada and the United States. Shares of this TSX stock fell to a 52-week low of $165.86 during the trading session on February 17. The stock is down 17% in 2022 and 24% in the year-over-year period.

Investors can expect to see Boyd Group’s final 2021 earnings in March. In Q3 2021, the company delivered sales growth of 28% to $490 million. Moreover, it posted same-store sales growth of 10.7%. The company added another 52 locations in the quarter, 48 of which were snatched up through its recent acquisitions.

Shares of this TSX stock last had an RSI of 26, which puts Boyd Group in technically oversold territory. This is the third stock I’d look to snatch up on the dip in late February.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)
3. TSX:BYD (Boyd Group Income Fund)
4. TSX:STC (Sangoma Technologies Corporation)

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1. Investing

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Author
aocallaghan