

## Five for Friday: Beaten Up Value Stocks

As we typically see in bear markets, valuations can get very cheap as investors sell the good and the bad as they try to raise cash and limit losses. This bear market is no different.

This week's scan seeks stocks that are down at least 30% this year with cheap valuations, good prospects for forward earnings growth, and a good earnings track record.

### Screen Criteria

- EPS Growth next 5 Years >10%
- EPS Growth last 5 Years >10%
- Sales Growth last 5 Years >10%
- Forward P/E <5
- P/E <10
- Price to Cash Flow <10
- PEG <1
- YTD Performance <-30%

Ticker	P/E	F P/E	Forward		P/S	P/B
			EPS Grwth.	PEG		
DSKE	6.20	4.33	25%	0.25	0.19	2.01
GSL	2.26	1.86	12%	0.19	1.01	0.69
NOA	8.16	4.08	11%	0.74	0.54	1.31
RM	3.63	4.11	24%	0.15	0.60	0.91
TROX	3.12	3.20	23%	0.13	0.49	0.79

### Screen Results

The stocks we chose are all small caps, ranging from \$280 million to \$1.8 billion. Three of the stocks, RM, DSKE, and TROX are down about 50% this year, while the other two are down 30-35%. As a result, their valuations have become more attractive.

Just because these companies are very cheap doesn't mean they can't get cheaper. However, at current levels and assuming earnings forecasts are good, these stocks should fare well when the broader markets stabilize.

## Company Summaries (all descriptions courtesy SimpleVisor)

### Daseke, Inc. (DSKE)

Daseke, Inc. (DSKE) - Trucking

**Description**  
Daseke, Inc. provides transportation and logistics solutions with a focus on flatbed and specialized freight in the United States, Canada, and Mexico. It operates through two segments, Flatbed Solutions and Specialized Solutions. The company transports aircraft parts, manufacturing equipment, structural steel, pressure vessels, wind turbine blades, commercial glass, high security cargo, arms, ammunition and explosives, lumber, and building and construction materials, as well as heavy machinery, such as construction, mining, and agriculture. It also offers logistical planning and warehousing services. As of December 31, 2021, it operated 2,625 company-owned tractors and 2,074 independent owned contractors tractors, and 9,266 trailers. Daseke, Inc. was founded in 2008 and is headquartered in Addison, Texas.



Global Ship Lease, Inc. (GSL)

Global Ship Lease, Inc. (GSL) - Marine Shipping

**Description**  
Global Ship Lease, Inc. owns and charters containerhips of various sizes under fixed-rate charters to container shipping companies. As of March 30, 2022, it owned 65 mid-sized and smaller containerhips with an aggregate capacity of 342,548 twenty-foot equivalent units. The company was founded in 2007 and is based in London, the United Kingdom.



North American Construction Group Ltd. (NOA)

## North American Construction Group Ltd. (NOA) - Oil & Gas Equipment & Services

### Description

North American Construction Group Ltd. provides equipment maintenance, and mining and heavy construction services in Canada, the United States, and Australia. The company's Heavy Construction & Mining division offers constructability reviews, budgetary cost estimates, design-build construction, project management, contract mining, pre-dumping/belt pioneering, overburden removal and stockpiles, muding removal and stockpiles, site preparation, air strip construction, site dewatering/perimeter ditching, tailings and process pipelines, haulage and access road construction, tailings dam construction and demolition, mechanically stabilized earth walls, dyke construction, and reclamation services. Its Equipment Maintenance Services division provides fuel and lube servicing, portable steaming, equipment inspections, parts and component supply, major overhauls and equipment refurbishment, onsite haul truck brake testing, onsite maintenance support, under carriage rebuild, machining, hose manufacturing, and technical support services, as well as welding, fabrication/repairs, weld certification, and inspection services. As of December 31, 2021, the company operated a heavy equipment fleet of 632 units. It serves resource development and industrial construction sectors. The company was formerly known as North American Energy Partners Inc. and changed its name to North American Construction Group Ltd. in April 2018. North American Construction Group Ltd. was founded in 1953 and is headquartered in Acheson, Canada.

Latest Price (May 25, 2023, 10:52:37 AM)

\$9.58 ▲ (\$0.07) (0.74%)

52 Week Range

\$9.20

Last Close

\$9.58

Open

\$9.58

Volume

15,717

Annual Div.

\$0.24

Mkt Cap (m)

\$263.32

Div. Yield

2.52%

Beta

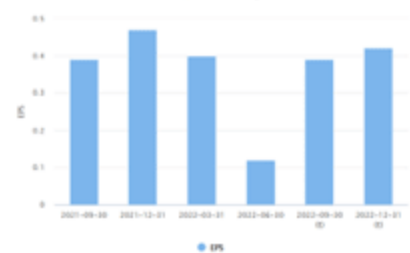
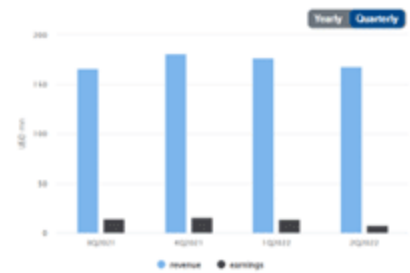
1.53

Day Range

\$9.34

Avg. Volume (3M)

32,006



## Regional Management Corp. (RM)

### Regional Management Corp. (RM) - Credit Services

#### Description

Regional Management Corp., a diversified consumer finance company provides various installment loan products primarily to customers with limited access to consumer credit from banks, thrifts, credit card companies, and other lenders in the United States. It offers small and large installment loans; and retail loans to finance the purchase of furniture, appliances, and other retail products. The company also provides insurance products, including credit life, credit accident and health, credit property, vehicle single interest, and credit involuntary unemployment insurance; collateral protection insurance; and property insurance, as well as reinsurance products. In addition, its loans are sourced through branches, centrally managed direct mail campaigns, digital partners, and retailers, as well as its consumer website. As of February 24, 2022, the company operated through a network of approximately 350 branches in 14 states. Regional Management Corp. was incorporated in 1967 and is headquartered in Greer, South Carolina.

Latest Price (May 25, 2023, 10:57:52 AM)

\$27.75 ▼ (\$0.31) (-1.11%)

52 Week Range

\$27.05

Last Close

\$29.06

Open

\$29.61

Volume

4,763

Annual Div.

\$1.30

Mkt Cap (m)

\$265.90

Div. Yield

3.79%

Beta

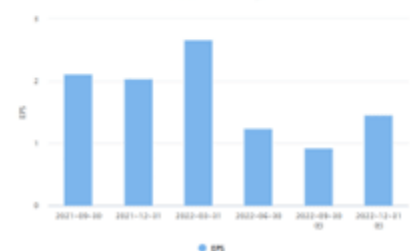
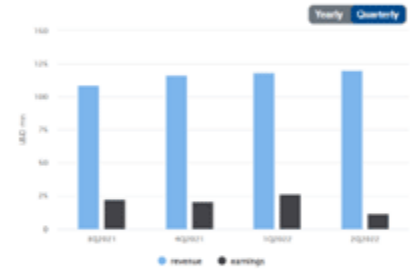
1.41

Day Range

\$27.86

Avg. Volume (3M)

54,731



## Tronox Holdings Plc (TROX)

## Tronox Holdings plc (TROX) - Chemicals

### Description

Tronox Holdings plc operates as a vertically integrated manufacturer of TiO<sub>2</sub> pigment in North America, South and Central America, Europe, the Middle East, Africa, and the Asia Pacific. The company operates titanium-bearing mineral sand mines, and engages in beneficiation and smelting operations. It offers TiO<sub>2</sub> pigment, ultrafine specialty TiO<sub>2</sub>, zircon, feedstock, pig iron, titanium tetrachloride, and other products. The company's products are used for the manufacture of paints, coatings, plastics, and paper, as well as various other applications. Tronox Holdings plc is based in Stamford, Connecticut.

**Latest Price** (close 29/10/2023, 9:00:00 AM)  
**\$11.55** ▲ (\$0.00) (0.00%)

**Last Close**  
\$11.55

**Open**  
\$11.54

**Volume**  
489,235

**Annual Div.**  
\$0.45

**Mkt Cap (mn)**  
\$1,783.70

**52 Week Range**  
\$11.64

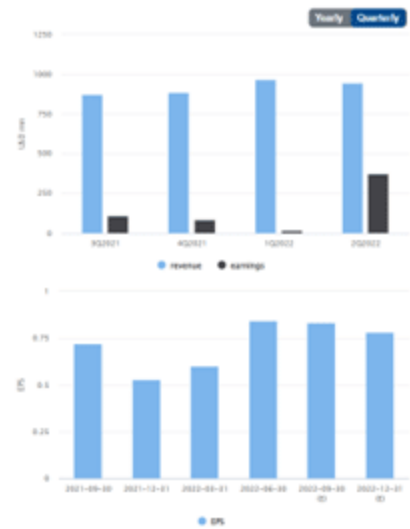
**Day Range**  
\$11.57

**Day Range**  
\$11.55

**Avg. Volume (3m)**  
1,358,963

**Div. Yield**  
3.90%

**Beta**  
1.89



## Disclosure

This report is not a recommendation to buy or sell the named securities. We intend to elicit ideas about stocks meeting specific criteria and investment themes. Please read our [disclosures](#) carefully and do your own research before investing.