

Three Aggressively Oversold Stocks to Consider Now

Over the last few weeks, we've highlighted many "blood in the streets" opportunities.

Despite some market hiccups along the way, each of them has done well – so far.

- Charles Schwab (SCHW) ran from \$38.70 to \$44.35
- E-Trade Financial (ETFC) ran from \$38.85 to \$44.95
- Ameritrade (AMTD) moved slightly higher from \$36.05 to \$40.70
- Amazon (AMZN) ran from \$1,715 to \$1,740
- Ulta Beauty (ULTA) slipped from \$236.08 to \$246.30
- UPS (UPS) ran from \$114.10 to \$123.73
- Keurig Dr. Pepper (KDP) ran from \$27.50 to \$30 so far
- Planet Fitness (PLNT) ran from \$60.15 to \$71.45
- Johnson & Johnson (JNJ) popped from \$129.50 to \$135
- Interactive Brokers (IBKR) did pull back from \$48 to \$46.50 so far
- Aphria Inc. (APHA) fell from \$5 to \$4.25
- Qualcomm (QCOM) ran from \$81.15 to \$90.90 and running
- **Beyond Meat (BYND) ran from \$82.04 to \$81.16 so far**
- **General Electric (GE) ran from \$10.93 to \$11.52**
- **Mattel Inc. (MAT) pulled back from \$12.19 to \$12.06 so far**

That's not bad at all.

But like I've said, we find opportunities just like these all the time. That's because investors have tended to overreact to news. In fact, we just found three more trades to own now.

Shake Shack (SHAK)

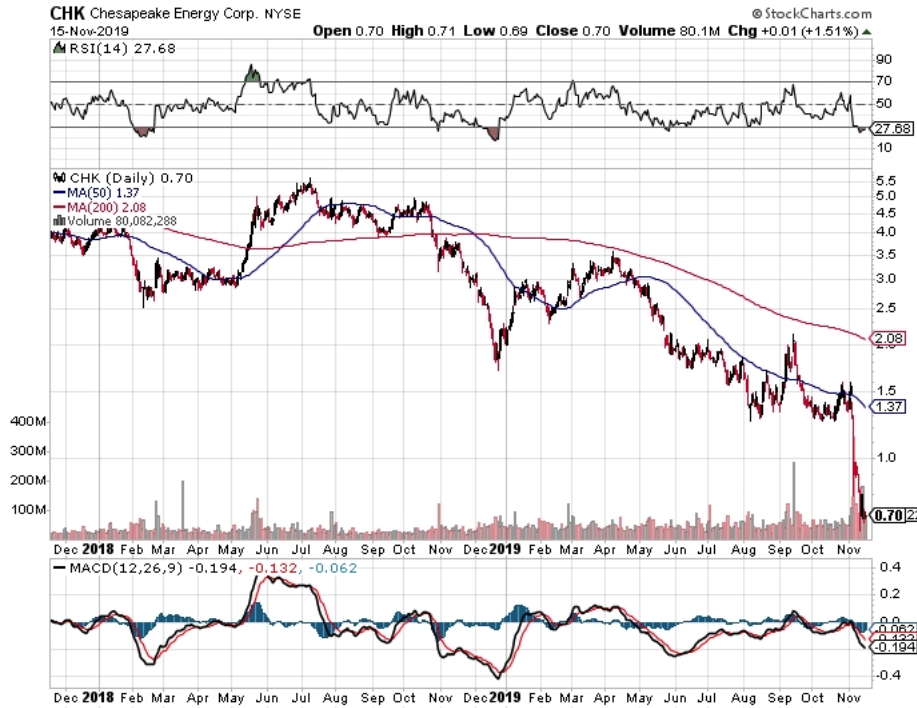
With a good deal of patience, we expect to see a recovery in shares of SHAK. We believe the pullback was a severe overreaction that has now left the stock deep in oversold territory following the company's earnings disaster, and on news that it will temporarily shut down locations in 2020 for store upgrades.



Technically, the stock has become aggressively oversold, holding support dating back to May 2019. Not only is it oversold at its lower Bollinger Band (2,20), RSI, MACD, and Williams' %R are also over-extended. Going forward, we'd like to see a bearish gap refill around \$85.

Chesapeake Energy (CHK)

CHK is wildly oversold at bottom of trend. However, there are two things to like here. One, While CHK looks like a slow-motion train wreck, CEO Robert Meyer just bought 50,000 shares after poor company earnings. That increases his holdings in the company by 1%. Director Brad Martin bought 250,000 shares. Two, as reported by MarketWatch, the company noted that another potential reason for the pullback was on the announcement that NGP Energy Capital Management LLC, distributed its 310.8 million shares to the partners of investment funds.



Twilio Inc. (TWLO)

After pulling back on news WhatsApp is cutting back on usage, and turning to rival vendors, the stock appears to have bottomed out just under \$100 a share. With patience, we'd like to see a bearish gap refill at \$106, near-term.

