

3 stocks that fell last week to buy this week

Reported by Regan Pearson, [The Motley Fool](#). Monday, April 14, 2014

Last week's big share sell off felt like a blood bath at times, especially for companies involved in cloud computing and healthcare. Cloud accounting company XERO FPO NZÂ (ASX: XRO) had lost 16% of its market capitalization by the end of the week, while cloud healthcare company Global Health Limited (ASX: GLH) dropped 14%.

It's a sage reminder to be wary of the hype that can surround exciting growth companies, and that 'growth at any price' is not a sustainable investment theory. However for these three companies the falls could be a good opportunity to buy.

Coca-Cola Amatil Ltd (ASX: CCL)

Coca-Cola Amatil shares had dropped 14.5% by the end of Friday after announcing an expected 15% fall in half-year earnings on weak consumer conditions. The drop pushes shares to a level not seen since 2009. It is hugely disappointing for current investors, but may also provide an opportunity to buy for the long-term recovery.

Coca-Cola Amatil still has an enviable brand and distribution network, while the growth potential for Indonesian consumers still offers hope for long-term earnings growth.

ResMed Inc (ASX: RMD)

ResMed's 1.23% fall on Friday brings the company's drop for the year to 8%, extending the slump the company has faced since reporting soft growth in the U.S for the first half of FY14. However ResMed is still growing in many of its other international markets and continues to return value to investors through a long-term share buyback program.

Global Health Limited (ASX: GLH)

The 14% sell down in shares of Global Health Limited fails to take into account two important factors. Firstly; that the company is generating profit and expecting to grow full year net profit after tax by as much as 55% for the full year, and secondly; that Global Health is not a company that commands lofty valuations like others in the tech and cloud sector.

Global health can now be picked up at a forecast forward price to earnings ratio of around 11, which to me suggests good value for a growing company.

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