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## Wall Street's Best Hidden Stocks

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When asked for the secret of his success, baseball player Wee Willie Keeler replied, "Hit 'em where they ain't." What worked for Willie at the plate applies equally well in investing.

Seeking stocks that others ignore, shun, or simply forget gives individual investors like you an [edge over the professionals](#). When Wall Street turns a blind eye, you have a chance to get in before these stocks get discovered -- or rediscovered -- and start taking off.

Below, we'll check out companies with only a handful of analyst coverage, then pair our list with the opinions of the [Motley Fool CAPS](#) community. A stock that garners CAPS' top ratings, but hasn't yet caught analysts' attention, could be your next home run investment.

Stock	<b>CAPS Rating (out of 5)</b>	<b>Wall St. Picks</b>	<b>Est. 5-Year EPS Growth</b>
<b>A-Power Energy Generation System</b> (Nasdaq: <a href="#">APWR</a> )	*****	5	20%
<b>Ebix</b> (Nasdaq: <a href="#">EBIX</a> )	*****	2	10%
<b>Taseko Mines</b> (NYSE: <a href="#">TGB</a> )	****	1	NA

Source: Yahoo! Finance; Motley Fool CAPS.

Remember, without analyst support, you'll have to do your own scouting to see whether these stocks deserve a spot on your portfolio's roster. Don't just buy or sell them based solely on their appearance here.

### Hiding in plain sight

It may not be an accounting irregularity, but [A-Power Energy Generation Systems'](#) decision to postpone its earnings conference call to some undetermined date later this year had investors worried what troubled wind was blowing. They're not tolerating any deviation from the norm these days and the stock fell 8% in aftermarket trading yesterday.

Although Western wind turbine makers have seen [their share of the Chinese market](#) drop from 71% in 2005 down to just 14% last year, Chinese manufacturers like A-Power and Sinovel are still teaming up with U.S.-based technology leaders to develop wind power assets. A-Power has partnered with **General Electric** (NYSE: [GE](#)) to build gearboxes, while Sinovel has joined with **American Superconductor** (Nasdaq: [AMSC](#)) to construct what was being billed as China's [most powerful domestically built](#) wind energy system.

A-Power's earnings delay may not be due to accounting concerns, but it was only a couple of months ago that CAPS member [mattcguy](#) was [growing concerned](#) about how the wind energy company was able to meet its financial targets last year.

Now I may be completely crazy for betting against the growth of the Chinese economy, but this suspicious financial reporting does not give me faith that the company management has shareholders best interest at heart.

The CAPS community is stacked against him, with 97% of the more than 1,100 CAPS members rating A-Power looking for it to turn in market-beating results, but you can head to the [A-Power](#)

[Energy Generation Systems CAPS page](#) and blow through your own opinions on what's afoot.

### All charged up

Although it nominally competes against **Computer Sciences** in the business software services industry, [Ebix](#)'s real competition where it counts most, its exchange business, which represents almost three-quarters of its revenues, consists of a number of privately held companies. In markets like life insurance and annuities, Ebix is the largest exchange operator; in employee benefits, it trails several larger players. In property and casualty, however, where Ebix operates two exchanges in Australia and New Zealand, it is the only company providing the service.

Last quarter, exchange channel revenues surged 66% while total revenues grew 43% from the year-ago period.

Providing software services to the insurance industry isn't exactly a sexy investment, but CAPS member [woodhaven1965](#) likes Ebix as both a growth stock and a value play.

Like EBIX as both a growth play and value play. Graham-type value calculations can readily support an argument that the value of the business is materially in excess of the total market price. Growth seems relatively sustainable, especially in the face of a fragmented market (which will allow judicious deployment of capital and rollup of smaller competitors).

### A utility player

There were [warning signs](#) the Canadian provincial government would shoot down [Taseko Mines'](#) plans at Prosperity. An advisory panel had raised significant objections to the mine going through earlier in the year, and that was just the latest in a series of decisions by regulators everywhere who looked askance at mining projects. **Goldcorp** (NYSE: [GG](#)), **New Gold** (NYSE: [NGD](#)), and coal miner **Massey Energy** (NYSE: [MEE](#)) have all come under the steely-eyed gaze of regulators. Unfortunately, Taseko [ran into that dead end](#), too.

While the Fool's mineral guru, Christopher Barker, sees a chance for Taseko to [live long and prosper](#) yet, CAPS member [Prodders](#) suggests its valuation even before the decision discounted Prosperity.

Overreaction to the Prosperity mine decision, when the company was priced very reasonably even ignoring it's existence / potential. Should be able to work it's way back to at least \$6 in the next 6 months, for 1/3 upside.

### Swing for the fences

When seeking investments where no one else is looking, [Motley Fool CAPS](#) is the best place to start your own research. Read a company's financial reports, scrutinize key data and charts, and examine the comments your fellow investors have made, all from a stock's CAPS page.

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