



Why Linamar Shares Leaped

Description

Although we don't believe in timing the market or panicking over market movements, we do like to keep an eye on big changes — just in case they're material to our investing thesis.

What: Shares of auto parts manufacturer **Linamar** ([TSX: LNR](#)) surged 14% today after its quarterly results topped Bay Street expectations.

So what: The stock has soared over the past year on better-than-expected growth, and today's Q3 results — EPS surged 54% on a revenue increase of 15.5% — only reinforce that positive trend. In fact, operating margins increased about 200 basis points over the year-ago period to 8.2%, suggesting that Linamar's competitive position and cost structure are improving as well.

Now what: Don't expect the operating momentum to slow anytime soon. "The completion of our assembled camshaft division acquisition will support our future growth by adding another critical tool to our technology and innovation toolbox," [said](#) CEO Linda Hasenfratz. "The combination of these new business opportunities with the fantastic results for the quarter adds up to a great recipe for continued success." Of course, with the stock having now *doubled* from its 52-week lows and sporting a P/E in the mid-teens, a good chunk of that growth might already be baked into the valuation.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:LNR (Linamar Corporation)

Category

1. Investing

Date

2025/07/25

Date Created

2013/11/14
Author
bpacampara

default watermark

default watermark