



## Metro, Inc.: A Stock That Beats the Market

### Description

By now, we all know that the market has had a dismal start to the year. Just about every company is down, in some cases by double digits, and some have claimed that trillions of dollars have evaporated in the latest correction.

However, there are some companies that are actually faring quite well in the current market.

**Metro, Inc.** ([TSX:MRU](#)) is one of a few companies that are actually in the black for 2016. The company has developed a particular knack for posting considerable growth during down periods in the economy.

Why consider Metro when a bunch of other stocks can be purchased at significant discounts? To answer that, here's a quick look at what Metro offers and why the stock is a great option.

Metro currently trades at just over \$41. Year-to-date, the stock is up an impressive 6%, whereas most of the market is down in some cases by double digits. Looking back over the past six months the stock is up 15%. What makes this return impressive is that much of the turmoil in the market began on a larger scale around that time.

Metro provided a quarterly update on earnings on January 26 for the period ending December 19. As expected, the company continued to impress investors by providing positive results.

The company posted a profit of \$139.8 million, representing an impressive 24% increase over the same quarter last year. Same-store sales were also up by 2.8%, which helped overall sales for the quarter come in at \$2.96 billion, an increase of 4.3%.

In terms of profit for the first quarter, Metro posted a net income of \$0.56 per share. In comparison to last year, Metro had posted net income of \$0.43 per share, or \$112.5 million.

Metro provides a dividend to investors, which, while not the most impressive yields, does give a return of \$0.12 per share for a yield of 1.14%. Potential investors of Metro would be better off looking at long-term growth. That being said, Metro did announce an increase of the dividend to \$0.14 per share for the upcoming March payment, representing a 20% increase.

One of the contributors to the company's positive results was the investment that Metro has in **Alimentation Couche-Tard** (TSX:ATD.A). Couche-Tard is one of the largest operators of gas stations and convenience stores with locations across Canada, the U.S., Europe, and Asia.

Metro's share from Couche-Tard's earnings came in at \$30.6 million, which is \$12.7 million higher than the number reported for the same period last year.

In my opinion, Metro, Inc. remains a great option for investors looking to diversify their portfolios and obtain long-term growth.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. TSX:MRU (Metro Inc.)

## Category

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