



6 TSX Stocks Just Hit 52-Week Highs: You Only Need Buy 1

Description

Canopy Growth Corp. (TSX:CGC) has been on a tear this year, so it's no surprise the news that California voted to legalize recreational marijuana sent its stock to a 52-week high of \$8.35; it's one of six TSX stocks on November 9 to do so.

Is Canopy Growth the best of the stocks hitting 52-week highs? Possibly. But before we crown it champion, investors might want to consider the alternatives.

TSX stocks hitting 52-week highs: November 9, 2016

Company	52-Week High	Company	52-Week High
		Sun Life Financial Inc.	
Canopy Growth	\$8.35	(TSX:SLF)(NYSE:SLF)	\$46.62
		CAE Inc.	
Arizona Mining Inc. (TSX:AZ)	\$3.16	(TSX:CAE)(NYSE:CAE)	\$19.42
First Quantum Minerals Limited		Sirius XM Canada Holdings Inc.	
(TSX:FM)	\$14.70	(TSX:XSR)	\$4.99

Source: Morningstar

Arizona Mining

Analysts believe that its Taylor Zn-Pb-Ag deposit, one of two major zinc deposits it owns south of Tucson, Arizona, could be one of the largest undeveloped zinc deposits in the world. This is a speculative play that could take off once it becomes clear the deposits will actually become productive

mines over the next few years.

First Quantum Minerals Limited

In June, Vanzo [wrote](#) an article about the almost bankrupt mining company; he said it's stick handling its way through a restructuring effort that should pay dividends when commodity prices rebound.

Investors clearly thought so. Its stock is up 70% since Vanzo's article. Also pushing its stock higher were good Q3 2016 results announced at the end of October, which showed increased copper production and profits as opposed to losses. This could be the one.

Sun Life Financial

In my [opinion](#), it is, hands down, the best insurance stock to own on the TSX. Up 10.2% year-to-date and looking like it will deliver a fifth consecutive year of positive returns, shareholders have a lot to be happy about as CEO Dean Connor continues to makeover the company. If the good times in Asia and in its wealth management business persist, I'd look for it to test its all-time high of \$55.99 at some point in 2017.

CAE

CAE announced second-quarter results November 10, and revenues were up year over year, prompting CEO Mar Parent to state, "We had good performance in the second quarter and we are tracking our full-year outlook for growth," said Parent. "I am pleased with our progress in executing our growth strategy in all three of our business segments. For the company overall, we received \$747 million in orders during the quarter for a new record \$6.5 billion backlog."

Say no more.

Sirius XM Canada Holdings Inc.

The company's stock hit a 52-week high for one simple reason: investors think the CRTC will say no to the going-private offer of \$4.50 because **Sirius XM Holdings Inc.** would gain 70% economic ownership of its Canadian sibling. Should that happen, analysts see its share price rising a dollar or more.

This is simple M&A arbitrage at its best.

Bottom line

Former Sprott Asset Management big wig Peter Hodson, now CEO of 5i Research, believes momentum plays can deliver big profits if you ask the right questions. In an interview with Robin Speziale for the recently published book, *Market Masters*, Hodson stated, "One of my best techniques to finding a great stock is to just look at new highs. When you see a new high, ask yourself, 'Why is that a new high and what's the deal with that?'"

I don't think you can underestimate what it means for California to legalize marijuana for recreational use. With as many people as Canada, it's a massive market that Canopy could choose to be a part of through an acquisition or two. Even if it doesn't expand into California, the news forces Mr. Trudeau to

speed up the legalization process here in Canada, which is definitely good news for the company.

It might not be making money, but the potential it has is real. This could be the next **Monster Beverage Corporation** in the making.

Canopy is my stock to buy hitting 52-week highs.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CAE (CAE Inc.)
2. TSX:CAE (CAE Inc.)
3. TSX:FM (First Quantum Minerals Ltd.)
4. TSX:SLF (Sun Life Financial Inc.)
5. TSX:WEED (Canopy Growth)

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