These 3 Stocks Have Doubled in the Past 12 Months

Description

The lacklustre TSX has not provided much growth so far this year. High-performing stocks are hard to come by and represent exceptions rather than norms. However, three companies here stand out as having had great performance in share price for the past 12 months and still present excellent growth opportunities going forward.

Air Canada (TSX:AC)(TSX:AC.B) has seen its stock price jump from less than $10 a year ago to now trade around $20, yielding a return of over 108%. Lower oil prices, which result in lower fuel expenses, have helped the company's bottom line over the past few years. In addition, the company has seen increasing year-over-year revenues.

In 2016, the airline recorded passenger revenues of over $4 billion during the summer season in Q3. Overall 2016 saw record revenues for Air Canada of almost $14 billion, up almost 6% from the prior year. Over the past four years, the company has seen an average annual growth rate of 5% in its revenue.

Although the stock does not offer a dividend, a low price-to-earnings multiple of under eight suggests there might still be room for the stock to grow. By comparison, **WestJet Airlines Ltd.** trades at a multiple of almost 12 and faces more direct competition from low-cost airline NewLeaf.

Canopy Growth Corp. (TSX:WEED) is relishing its high-ranking position in the new marijuana industry and has seen a 12-month return in its share price of over 160%. The company has been in acquisition mode, and with multiple other pot growers being added to its portfolio, this has helped Canopy accelerate its revenue growth. However, despite the revenue growth, the company still incurred a loss overall for the year.

One reason the company might see an improvement in fiscal 2018 is that it should be able to cut a lot of operating and overhead expenses related to the acquired companies. With acquisitions come redundancies and inefficiencies that need to be eliminated and improved. Canopy has been knee deep in acquisitions in the past year and likely hasn't reached optimal operating costs for all of its new operations. However, should the company still pursue acquisitions in the coming year, then those cost reductions might be offset by new acquisition-related expenses.

Canopy's stock has showed signs of slowing down recently, returning just 4% in the past month and showing a decline in the past three months of over 29%. If the company continues its growth, then it might present a strong opportunity for growth, especially given the stock's recent dip.

Aphria Inc. (TSX:APH) is another player in the marijuana industry and was listed on the TSX in March of this year. Prior to that the stock was trading on the TSX Venture exchange. A year ago, the stock's price was trading at $1.93 compared to over $6.30 right now for a total return of over 226%.

The company's revenues are a bit behind Canopy's with only $20 million the past 12 months, representing about half of the marijuana giant's sales. However, while Canopy has been working on increasing its sales and user base, Aphria has been working on cost reductions. Aphria recently announced a reduction in its per-gram cost by 36% compared to its prior quarter.

The company has been able to maintain a positive operating income in three of its past five quarters. By comparison, Canopy has failed to achieve that feat even once over the same period. Both marijuana producers present good growth opportunities, despite focusing on different aspects of their business.

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Date
2025/08/25
Date Created
2017/07/21
Author
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