



## 2 Lone Wolves Trading At 52-Week Highs

### Description

These days, it's really easy to find a stock that is trading at [52-week lows](#) but not so easy to find a stock that's [trading at highs](#).

Look no further.

**Metro Inc.** ([TSX:MRU](#)) is a lone wolf trading at 52-week highs.

And rightfully so.

These days, everything seems to be working for the company, as earnings growth, dividend growth, and investor sentiment remain positive.

The grocery industry, which is relatively immune to the ups and downs of the economy due to the nature of the products being sold, down to company specific factors, this stock is one that can be expected to benefit from improving investor sentiment as the market becomes increasingly risk averse amid rising interest rates.

### Earnings growth

To illustrate my case, fiscal 2018 EPS was \$0.63 versus \$0.51 in the same period last year, for an increase of 23.5%, buoyed by the Jean Coutu acquisition.

This comes off of healthy top line results that showed positive same-store sales growth of 2.5%, with food inflation bumping up food same-store sales to 2.1% and front store sales at Jean Coutu increasing 3.9%.

We continue to see food inflation, which can be expected to continue boost Metro's sales results, as well as a ramp up of integration efforts.

As a reminder, management has a three-year target of savings of \$75 million, of which \$6.6 million was achieved in the fourth quarter.

## Dividend

The annual dividend was increased by 16% in 2017 to \$0.65 per share and by 10.8% earlier this year to the current \$0.72 per share.

Add this quarter to a string of earnings beats and dividend raises and we have more evidence of a company that is performing exceptionally well.

With an \$11 billion market capitalization and a 1.56% dividend yield, Metro has been and will likely remain a story of consistency, stability, and shareholder wealth creation.

Another stock that is trading at 52-week highs is **Loblaw Companies Ltd.** ([TSX:L](#)).

Loblaw is a stock that's rallied 74% in the last five years, and 13% in the last year, as food deflation subsides, and as the company has attempted to use its scale in order to drive operating efficiencies and to drive value for the consumer.

And the company has had success with this, as demonstrated by its three-year compound annual EPS growth rate of 12.35%, accelerating same-store sales growth, margin improvements, and an e-commerce strategy that is making good progress.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:L (Loblaw Companies Limited)
2. TSX:MRU (Metro Inc.)

## PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

## Category

1. Dividend Stocks
2. Investing

## Date

2025/07/05

## Date Created

2018/11/29

---

**Author**

karenjennifer

default watermark

default watermark