

## Turn a Quick Profit in 2019: Here Are 3 Hot Stocks That Bay Street Loves Right Now

### Description

Hey there, Fools. I'm back to highlight three stocks that have risen sharply over the past five trading days. Why? Because after a stock spikes over a short period of time, one of two things usually happens:

- it continues to soar as traders [keep riding the wave of momentum](#); or
- it falls back down to earth as [value-oriented investors](#) take gains off the table.

The **S&P/TSX Composite Index** ended 2018 on a downbeat note, so it might make sense to start off 2019 with some red-hot stocks.

Let's get to it.

### Altered outlook

Kicking things off is **AltaGas** ([TSX:ALA](#)), whose shares are up 17% over the past five days. Of course, the embattled energy company is still down 50% over the past year versus a loss of 28% for the **S&P/TSX Capped Energy Index**.

The stock's hot start to 2019 could indicate a prolonged turnaround. Last month, management said it expects 2019 funds from operations of \$850-950 million with about \$1.5-2 billion in asset sales.

"My long-term objective is to drive operational excellence, achieve superior returns on invested capital in our midstream business, and enhance our return across our utilities," said President and CEO Randy Crawford.

While the recent dividend cut was disappointing for income investors, the current yield of 7.8% is still very scrumptious.

### Go with the flow

Next up, we have **goeasy** ([TSX:GSY](#)), which is up 18% over the past five days. Shares of the alternative lender are still down 25% over the past year versus a loss of 11% for the **S&P/TSX Capped Financials Index**.

Bay Street seems to be getting over its worries about goeasy's loan quality. Of course, broad insider buying over the past few months suggests that even management believes those concerns are overblown.

"We remain on track to finish 2018 near the mid-point of our guided range for both the ending

consumer loan portfolio and the net charge-offs,” CEO David Ingram said in goeasy’s recent Q3 report. “During the quarter we also made several enhancements to our balance sheet.”

Currently, the stock yields a solid 2.4%.

## Smoking return

Rounding out our list is **Cronos Group** ([TSX:CRON](#))([NASDAQ:CRON](#)), whose shares are up 13% over the past five days. The medical marijuana company is up 62% over the past year versus a loss of 12% for the **S&P/TSX Capped Health Care Index**.

Like all weed stocks, wild short-term swings are pretty common for Cronos. That said, Cronos’s strong start to 2019 isn’t exactly a fluke. After all, tobacco giant **Altria** took a huge \$2.4 billion stake in Cronos last month, suggesting that Cronos is a “best-of-breed” marijuana play.

“We believe that Cronos Group’s excellent management team has built capabilities necessary to compete globally, and we look forward to helping Cronos Group realize its significant growth potential,” said Altria chairman and CEO Howard Willard.

With the stock still off about 20% from its 52-week highs, the recent surge doesn’t seem *too* risky to climb on.

## The bottom line

There you have it, Fools: three momentum stocks worth checking out.

As always, they aren’t formal recommendations. They’re simply ideas for further research. Red-hot stocks can turn cold without notice, so plenty of due diligence is still required.

Fool on.

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1. Investing

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1. Editor's Choice

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2. NYSE:MO (Altria Group, Inc.)
3. TSX:ALA (AltaGas Ltd.)
4. TSX:CRON (Cronos Group)
5. TSX:GSY (goeasy Ltd.)

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