3 Stocks That Could Be Breaking Out!

Description

It's been a good start to the year for many companies on the TSX, and the three stocks listed below have been turning things around after a troubling 2018. They've increased in value recently and still have the potential to rise even further.

Stars Group (TSX:TSG)(NASDAQ:TSGI) has climbed more than 9% in just the past month after another strong earnings report has generated some bullishness around the stock. In the past year, its share price has declined by more than 25% after a bad quarter sent the stock reeling. And with the stock showing some recent momentum, it could be ready to soar.

Stars Group is a bargain, trading at just over its book value. Some investors might be concerned about its lack of profitability, but in three of the past five quarters, the company has been able to net a profit. And it's been non-operating expenses that have brought Stars Group into the red, as it has had no trouble generating a profit from its operations.

With the company being busy on acquisitions and growing its brand, it's understandable that it would have incurred some big expense along the way. However, Stars Group has significant growth potential and it's a stock that could see tremendous upside this year.

Crescent Point (TSX:CPG)(NYSE:CPG) has been an even hotter stock, soaring 23% in just one month. The company is coming off a difficult quarter, where it wrote down $2.7 billion in assets and had a significant net loss from the prior year.

However, with the stock trading around all-time lows and oil prices finding a lot of momentum lately, investors have likely spotted a huge opportunity to pick up the stock at a significant discount. Crescent Point is trading nowhere near its book value and is a very cheap buy for investors that are not risk-averse. The markets have not been very bullish on oil and gas in recent years, but there are signs that things are starting to pick up and it could be an opportune time to buy, especially if the momentum in the industry continues.

Dollarama (TSX:DOL) has had a challenging year as well, as low growth rates have resulted in the stock falling out of favour with many investors. The share price has risen 18% since the start of the year, but at less than $40, it's still nowhere near where it was last year when the stock reached highs of well over $50.

In its most recent quarter, Dollarama still struggled with growth as same-store sales were only up 2.6% year over year. However, with the company still promising more new stores and with an attractive price-to-earnings ratio of around 23, it's not hard to see why investors may have decided to take a chance on the stock. With online sales potentially giving the company boost this coming year, Dollarama may have unlocked a yet another opportunity to grow. And in the process, it could also provide the company with even stronger margins.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:VRN (Veren)
2. TSX:DOL (Dollarama Inc.)
3. TSX:VRN (Veren Inc.)

PARTNER-FEEDS

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

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