These 2 TSX Large-Cap Stocks Look Like They're on the Verge of Major Breakouts

Description

Following last year's fourth-quarter meltdown, markets have been on a roll to start 2019. The TSX Index is already up more than 14% through the first 14 weeks of the year.

Meanwhile, these two stocks have fared even better than that.

Canadian technology leader **BlackBerry** (TSX:BB)(NYSE: BB) along with Calgary-based integrated energy producer **Cenovus Energy** (TSX:CVE)(NYSE:CVE) have both more than doubled the returns of the TSX Index so far in 2019.

We'll take a closer look at exactly what's been driving those returns and what investors can look forward to from both companies heading into the back half of the year and beyond.

BlackBerry reported an exceptionally strong fourth-quarter earnings beat earlier this year. The company's share price responded accordingly, up double digits the day of.

The former mobile handset manufacturer reported particularly encouraging growth from its software and services business division.

BlackBerry CEO John Chen has been relentlessly focused in recent years on transforming the Waterloo-based tech company from being a traditional hardware manufacturer to instead focusing on what has always been its core strength — enterprise security.

The impeding introduction of 5G technology along with the Internet of Things and now the Enterprise of Things is expected to add literally billions of new devices to global networks in the coming years.

Chen's big bet with BlackBerry's latest restructuring is that each new device that gets added to an enterprise's network adds one more additional point of vulnerability to cyber threats and would-be hackers, phishers, and online fraudsters.

It's a bet that paid off big for Chen and BlackBerry in the fourth quarter with the company reporting record sales and double-digit top-line growth for the full year coming out of its software and services business segment.

If technology isn't exactly your thing, you might find greater comfort from a more traditional type of business like the one the Cenovus runs.

Cenovus extracts raw energy from the ground and then uses its downstream operations to convert that crude energy into refined products like diesel, jet fuel, and gasoline.

The fact that Cenovus owns both upstream and downstream assets gives it an added advantage: not only does it stand to benefit from higher prices from oil and gasoline prices, but it also offers it the opportunity to profit from the spread differential between the prices for crude oil and gasoline-related products.

And with warmer weather and summer vacations just around the corner, there's also a decent chance that Cenovus, along with other Canadian gasoline refiners, could get the benefit of a lift in their share prices — the result of seasonally stronger gasoline prices that tend to pervade the summer months.

Bottom line

The best part about all of this is that even though both stocks have strongly outperformed markets as of late, the latest rally in both of these companies' share prices could prove to be but a small sign of more good things to come.

Both stocks have recently crossed over their respective 200-day moving averages, which has historically been a reliable predictor of the potential for major stock rallies.

Foolish investors may want to consider hanging tight with these two stocks for what could be a wild ride in 2019.

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2. NYSE:CVE (Cenovus Energy Inc.)
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Date
2025/09/08
Date Created
2019/04/13
Author
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