



## These 2 Dividend-Growth Stocks Are Hitting 52-Week Highs

### Description

After a dismal end to 2018, the first quarter of the year has led a renewed faith in the markets. Wall Street's "fear gauge," a measure of investor confidence, is at a six-month low.

This means that bullish sentiment is in full swing. Two stocks that have benefited significantly from the uptrend are **Alimentation Couche-Tard** (TSX:ATD.B) and **CAE** ([TSX:CAE](#))([NYSE:CAE](#)). Last week both stocks hit 52-week highs. Are the good times expected to continue? Let's take a look.

### Strong momentum

Year to date, Alimentation Couche-Tard and CAE have returned a nearly identical 20.25% and 20.69%. This tops the healthy 15.06% return of the TSX Composite Index.

Over the short term, Couche-Tard may be due for a pullback. Its 14-day Relative Strength Index (RSI) is at 74.08, which indicates that the company has entered overbought territory. Despite potential short-term weakness, the long-term trend is [still very bullish](#).

All 13 analysts covering the company rate it a buy or a strong buy. All of its moving average indicators also point to bullish momentum and a continued uptrend for the company.

CAE is in neutral territory. Its 14-day RSI of 66.19 indicates it is neither overbought nor oversold. Unlike Couche-Tard, CAE had entered overbought territory and quickly corrected.

Analysts are not as bullish on the company, with three rating it a buy and four a hold. Likewise, CAE's moving averages indicators point to neutral momentum.

It is also worth noting that both companies are currently trading above analysts' one-year estimates.

## Top dividend-growth stocks

Couche-Tard and CAE have not only rewarded investors with capital appreciation. These are

Canadian Dividend Aristocrats with strong histories of dividend growth.

Couche-Tard has a 10-year dividend-growth streak and a history of raising dividends by double digits. Its last increase came on March 28 and was a hefty 25% raise.

CAE has an 11-year dividend-growth streak. It has also averaged double-digit growth (14%) since its dividend streak began. The company last raised dividends by 11% and is expected to extend its streak to 12 years this coming September.

## Foolish takeaway

A word of caution, as both companies may have gotten ahead of themselves. Although the long-term prospects for both [remain strong](#), they are trading above one-year estimates.

Couche-Tard is trading at a 29% premium to its one-year target price of \$63.41, while CAE is trading 20% above its one-year target of \$19.03.

As such, for those looking to take a position in either of these growth stocks, it is likely you will see a better entry point over the next couple of months. If the price dips, don't miss out, as the long-term upward trends are still very much intact.

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