



## Looking for Massive Growth Potential?

### Description

In case you missed it, **Alimentation Couche-Tard** (TSX:ATD.B) is now one of the top-performing stocks on the market this year, nearing a 20% return year to date, and over the course of the trailing 12-month period, the stock has surged by an incredible 50%.

An [incredible growth story](#) is nothing new for Couche-Tard, which has been known to witness bursts of growth in the past, typically as the company exercised its financial muscle by moving to acquire smaller players. So, what exactly is driving Couche-Tard higher, and will it continue? Let's try to answer that very question.

### What gives?

To better understand why Couche-Tard is soaring, let's first refresh ourselves with the business itself. Couche-Tard has an army of convenience stores and gas stations scattered across Canada and the U.S. in every province and in nearly every U.S. state. The company's network, which is over 10,000 stores strong, handily makes Couche-Tard one of the largest players in that segment of the market, which is typically populated with smaller, more regional players.

That composition has helped Couche-Tard grow to its immense size in a short period of time, and that insatiable appetite for acquiring smaller players is matched only Couche-Tard's tenacity to integrate and rebrand those new acquisitions into its vast network and reap the synergies from those deals.

In other words, Couche-Tard operates a stable and necessary business with a massive network of locations across the continent and across the pond in Europe, too. So, bearing that in mind, let's talk opportunity.

Fuel prices continue to rise, and I'm not just talking about the seasonal fluctuations we've come to expect as the weather gets warmer. Those fuel margins are only going to go higher, along with prices, to the benefit of Couche-Tard.

Adding to that appeal comes another benefit in the way of the loonie. The loonie has had a rough start

to the year and struggled to stay above US\$0.75 for the longest time and, having surrendered to that floor, is now flirting with a sub-US\$0.74 position.

Given the massive network that Couche-Tard has in the U.S., that impressive growth is only going to accelerate.

## Is Couche-Tard still a good investment?

Apart from the incredible opportunity noted above, Couche-Tard is an attractive investment for a few other reasons. Besides the fact that Couche-Tard is uniquely positioned to benefit from both a retail and energy pricing standpoint, the company also provides investors with a quarterly dividend; while only providing a 0.63% yield that is more akin to a rounding error, the dividend has seen a series of upticks in recent quarters and is bound to see additional growth given the stock's incredible performance of late.

In my opinion, Couche-Tard remains an excellent long-term option for those investors [looking to diversify](#) their portfolios.

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