3 Stocks That Have Already Doubled This Year

Description

Whether you're of the mind that a stock that has doubled is bound to tank, or a stock that has doubled is bound to keep soaring, there's no doubt that when it happens it's exciting.

Well, for investors who have taken a piece of these three stocks' pie, excitement is certainly being felt right around now.

Since December 31, 2018, **HEXO Corp.** (TSX:HEXO), **Air Canada** (TSX:AC), and **VieMed Healthcare Inc.** (TSX:VMD) have all doubled in stock price at the time of writing. So let's take a look at how they got there, and whether this trend might continue.

Hexo

Since the beginning of 2019, Hexo has been on a steady rise, starting the year at around $4.70 per share. As of writing, the stock is trading at $9.25 per share, more than doubling in share price. Analysts believe that price should continue to rise in the next 12 months, reaching perhaps even $15 per share.

The growth comes from a few avenues. First, Hexo's revenue has skyrocketed in the last year, growing by 403%. Part of *that* growth comes from its partnership with **Molson Coors Canada** to create cannabis-infused beverages later this year. Using some of that cash, Hexo then partnered with **Newstrike Brands** in a $263 million deal that added 470,000 square feet of production space, making it the eighth-highest producer of cannabis in Canada.

Air Canada

It's no secret that this company has been flying high since the beginning of the year. Unlike Hexo, it's been fairly steady, but recently hit a huge jump amid the news that it could be acquiring **Air Transat** for $520 million. The stock started the year at $25.96 per share, so it hasn't quite doubled, but it's almost there at about $41 per share at the time of writing. In the next 12 months, analysts predict that the stock will continue to grow to at least $50 per share.

This growth comes from its transformation after high fuel prices hit the company hard, along with the release of a number of ultra-low-cost airlines. Air Canada has since focused on having a monopoly on high-class airline experience, growing internationally and investing in a new fuel-efficient fleet that will save costs in the long run.

As for its low-cost carrier, Rouge, acquiring Air Transat will completely transform this company, boosting its leisure travel business. Honestly, in the future, any competition from other Canadian airlines might be no competition at all.

VieMed

Similar to Air Canada, VieMed has had a steady increase since the new year, with a few jumps over the last few months. It started the year at around $5 per share, and at the time of writing has almost doubled to $9.12. Analysts believe the stock will continue to rise to around $14 per share in the next 12 months.

The company's most recent jump comes from its earnings results, seeing a revenue increase of 45% and gross margins of 46% compared to the same time last year. Adjusted EBITDA came to $6.44 million, and has been regularly repurchasing shares at an average price of $5.65 per share. The company also announced that it will likely generate revenues of between $22.98 – $30.6 million. Given that its one-year returns have been 105.7%, thereby far outperforming the Canadian healthcare industry as a whole, this could even be a conservative estimate.

Bottom line

Whether now is the right time to buy these stocks is up to you, but you can't argue with those numbers. They've been on fire recently, so if a dip comes in the future, you may want to get on board.

Honestly, if I'm buying one stock today I'd buy VieMed. With an aging population, this in-home healthcare company has a strong business model. If I'm waiting for the dip, I'd choose Air Canada. This company is on fire and has a strong future, but there might be a lot of excitement surrounding it right now. Finally, Hexo is obviously the most volatile, so it may have to have a few more announcements before I get on board.

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Date
2025/08/26
Date Created
2019/05/25
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