



## These 3 Popular Stocks Saw Volatile Action This Week

### Description

It's been an interesting end to an interesting week of trading on the **TSX**. Oil prices were up by over a percentage point on Friday, continuing Thursday's positive movement, and while the energy outlook is still on the grim side thanks in part to U.S. oil supplies and a global economic slowdown, the increase has served to stave off a five-month low.

As well, Canada managed to reel in its lowest trade deficit in half a year, with the loonie sitting a little higher against the U.S. dollar. While it may be a little premature to break out the party streamers, shareholders in the following companies may have reason to celebrate.

### Tech and energy started to recover this week

After falling off a cliff at the end of May, ending a remarkable five-month run, **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#)) led the charge this week, jumping several percentage points to become the top gainer on Thursday. Up 3.4% at the time of writing, this return to form goes some way to putting the [logistics tech stock](#) front and centre for growth investors at a time when uncertainty lurks in every corner of the TSX.

Rising 2.5% on Thursday to help energy stocks boost the TSX index, a three-year estimated earnings growth rate of 98.6% and fair value would be the two main reasons to buy oil-weighted **Baytex Energy** ([TSX:BTE](#))(NYSE:BTE) meanwhile. However, a five-year beta of 3.62 relative to the TSX index might count out any low-risk investor with a milder taste in energy stocks looking to get defensive right now.

Despite a number of recoveries – some of them considerably greater than this week's – the general trend here is downward, with the share price slumping since the beginning of last month. Whether it hits a 52-week low any time soon is anyone's guess, though it's hovering around the \$2 mark at the moment, and as such, it's not far off the low of 1.88% it touched over the winter holidays.

### Weed stocks could be an indicator for market sentiment

Down 2.7% at the time of writing but finishing the week higher, **Cronos Group** ([TSX:CRON](#))([NASDAQ:CRON](#)) is a moderate sell at the moment. It's a strange time right now for this burgeoning sector in general, characterized by a formula of high-intensity production that may ultimately undergo a sea change: from CBD products to "craft weed" producers, the expected billion-dollar cannabis industry could look very different in a few years' time.

However, it doesn't take a few years to cash in on [Canadian cannabis stocks](#), and with a 36-month beta of 5.06, gutsy investors could still cream some upside with Cronos Group thanks to its volatile share price. A trailing 12 month P/E of 56.8 times earnings and P/B of 7.43 times book don't denote good value for money, though, thereby impacting the margin for capital gains.

## The bottom line

With its recovering share price, Descartes Systems joined the tech stock rally that helped buoy the market this week, nudging the TSX index a little higher in the middle of the week. It's still overpriced, but as it offers growth to a tech investor, it looks like a moderate buy at the moment. Baytex Energy, meanwhile, though it offers some growth, is a downward trending stock and may not a solid buy right now.

### CATEGORY

1. Cannabis Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners
6. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:CRON (Cronos Group)
2. NASDAQ:DSGX (Descartes Systems Group)
3. TSX:BTE (Baytex Energy Corp.)
4. TSX:CRON (Cronos Group)
5. TSX:DSG (The Descartes Systems Group Inc)

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