



These Were 3 of the Hottest Stocks in June

Description

Investing in stocks that are rising in value is a good strategy because it means there's a lot of excitement surrounding the companies. And as long as the stock prices haven't gotten too expensive, it could be a good option to invest in as the momentum could carry them even higher in value. Below are three stocks that were some of the best-performing stocks in June that could still be great investments today.

Lightspeed POS Inc. ([TSX:LSPD](#)) rose by 34% during the month and in six months has nearly doubled in value. The recently listed stock has been one of the hottest buys on the TSX this year. One of the reasons behind its recent surge in June was the company released its Q4 results at the end of May, which showed strong sales growth of 36% year over year. Lightspeed also expects to see revenue growth of up to 42% for fiscal 2020 as well.

While it may have posted a big loss for the quarter, investors are generally very excited when they see a good growth stock, especially one that's seeing its rate of growth increase rather than decline. The one concern around the stock is sure to be whether it's too expensive.

At a price-to-sales (P/S) multiple of around 40 and a price-to-book (P/B) ratio of 15, investors are certainly paying some big premiums to own Lightspeed today. However, if the company can continue its impressive growth, then those multiples will come down.

Hudson's Bay Co (TSX:HBC) had an even better month with its share price climbing a whopping 49%. It wasn't a strong quarter that gave it a boost; instead, it was news that the company might be going private. In early June, a group of shareholders owning a majority stake in the company offered to pay \$9.45 to buy out the remaining investors.

Prior to the news, the stock was at just \$6.37 and the next day shot up to over \$9 a share.

And while it might seem like a great deal, a year ago, the stock was trading at around \$12. The retailer has been struggling in recent years and there's been pressure on the company to sell off its [real estate assets](#) to free up cash. At a P/B of just 1.1 and P/S of 0.19, the stock is still a cheap buy today and the recent attention might help drive its price up even higher.

Barrick Gold Corp ([TSX:ABX](#))(NYSE:GOLD) was up 23% in June as gold stocks, in general, had a very good month thanks to gold prices rising by 9.5% over the past 30 days. With concerns over stability and a near clash between Iran and the U.S., investors looked to buy up gold stocks amid the instability. However, from what I've [observed](#), gold prices typically don't rise as a result of tensions or conflict, whether real or perceived.

Nonetheless, gold prices have been rising and if they continue to do so, gold stocks like Barrick will continue to be hot buys. It also helps that the company is coming off a strong quarter where sales were up by 17% and Barrick finished in the black for the first time in four reporting periods. The stock has been volatile over the past year with its share price only up a total of 19.7% despite the recent rally.

Although Barrick is trading around its 52-week high, with the stock trading at a P/B of only 2.3 and the potential for gold prices to rise higher, it could still produce good returns for investors who buy today.

CATEGORY

1. Investing

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1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)
3. TSX:LSPD (Lightspeed Commerce)

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