



Ride the Wave to \$1 Million: 3 More Stocks Hitting New 52-Week Highs

Description

Hi there, Fools. I'm back to quickly highlight three stocks trading at new 52-week highs.

Why?

Because after a given stock rallies over a short period, one of two things usually happens the [stock keeps on climbing](#) as momentum traders pile on; or the stock [quickly pulls back](#) as value-oriented investors lock in gains.

If you have ambitious goals of turning an average \$27K TFSA into \$1 million bucks in 20 years, you'll need an annual return of at least 20% to do it. While momentum stocks are on the fickle side, they can often skyrocket much higher and longer than you might expect.

Let's get to it.

Taking flight

Leading off our list is airline giant **Air Canada** ([TSX:AC](#)), which has more than doubled over the past year and currently trades near its 52-week highs of \$43.40 per share.

A modernized fleet, sluggish oil prices, and an improving financial position have given the company plenty of momentum over the past several months. In the most recent quarter, revenue increased 9.3% to \$4.45 billion while operating income clocked in at a solid \$127 million.

Management also lowered its leverage ratio during the quarter to 1.2.

"Our greater financial resiliency was acknowledged during the quarter by a debt-rating upgrade from Standard & Poor's, which advances us to one level below our goal of investment grade status," said CEO Calin Rovinescu.

The stock is up 65% in 2019.

Home sweet home

Next up, we have specialty lender **Home Capital Group** ([TSX:HCG](#)), whose shares are up 47% over the past year and now trade near 52-week highs of \$22.73.

Home Capital's momentum should continue to be supported by strong earnings and asset growth, as well as improved leverage ratios. In Q1, EPS grew 4.7%, mortgage originations increased 4.9%, and total loans grew 9.6% to \$16.7 billion.

Looking ahead, management expects improving affordability in the Canadian real estate market for the rest of 2019, along with stable interest rates.

"Through dedication to customer service, attention to risk management and strategic deployment of capital, we expect to continue to create long-term value for our shareholders and our customers," said CEO Yousry Bissada.

Home Capital shares are up 53% in 2019.

Jet setting

Rounding out our list is air cargo services specialist **Cargojet** ([TSX:CJT](#)), which is up 47% over the past year and currently sits near its 52-week highs of \$93.33 per share at writing.

Cargojet's firm leadership position, massive scale (1.3 million pounds of cargo shipped each business night), and exposure to the ever-growing ecommerce space make it a particularly solid momentum play. In the most recent quarter, revenue improved 11% to \$110.4 million while adjusted EBITDA increased 17.5% to \$32.3 million.

"Our entire Cargojet team continues to be strongly focused on prudent cost management; profitable revenue growth and to providing consistent and reliable service levels to our customers and adding value to our shareholders," said CEO Ajay Virmani.

Cargojet shares are up 31% so far in 2019.

The bottom line

There you have it, Fools: three red-hot stocks worth checking out.

As always, they aren't formal recommendations. Instead, look at them as a starting point for further research. Momentum stocks are especially fickle, so plenty of your own due diligence is required.

Fool on.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:AC (Air Canada)
2. TSX:CJT (Cargojet Inc.)
3. TSX:HCG (Home Capital Group)

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Date

2025/09/16

Date Created

2019/07/16

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