



## TFSA Investors: 3 Red-Hot Stocks to Ride Into 2020

### Description

Hello, 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 of time, 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 profits.

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 for much further and longer than you might expect.

Let's get to it.

### Ante upped

Leading off our list is travel service specialist **Transat A.T.** (TSX:TRZ), which is up a whopping 82% over the past year and currently trades near 52-week highs of \$16.75 per share.

Transat spiked a few months ago after **Air Canada** offered to acquire it for \$13 per share, or \$520 million. But in order to win the support of Transat's largest shareholder, Letko Brosseau & Associates, as well as to fend off rival bidder Group Mach, Air Canada sweetened the deal yesterday: it upped the total offer to \$18 per share, or \$720 million.

"We are very pleased by the added stability brought about by Air Canada's increased bid as supported by Transat's largest shareholder, Letko Brosseau," said Transat CEO Jean-March Esutache.

Transat shares are up 182% in 2019.

### Pretty Pretium

Next up, we have gold explorer **Pretium Resources** (TSX:PVG)(NYSE:PVG), whose shares are up

42% over the past year and currently trade near 52-week highs of \$13.49 per share.

The stock has soared in recent months on the surging price of gold, but company fundamentals are also improving greatly. Strong economics at its key Brucejack Mine has helped the company eliminate \$65 million of debt over the first half of 2019, putting management well ahead of schedule in its debt reduction goal of \$140 million.

Looking ahead, Pretium maintained its full-year production guidance of 390K-420K oz. of gold.

“We are successfully ramping up production and made additional progress since the first quarter of the year,” said President and CEO Joseph Ovsenek.

Pretium shares are up 49% in 2019.

## Powerful choice

Rounding out our list is **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)), which is up 31% over the past year and trades near 52-week highs of \$17.28 per share.

Algonquin continues to offer investors an attractive combination of income and growth. In the most recent quarter, adjusted earnings improved 8%, adjusted EBITDA jumped 18%, and adjusted funds from operations (AFFO) increased 13% to \$128.3 million. And currently, the stock offers a healthy dividend yield of 4.4%.

“We are pleased to report solid operating results for the second quarter of 2019 while at the same time making significant progress on the execution of our five year \$7.5 billion capital plan,” said CEO Ian Robertson.

Algonquin shares are up 24% 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

### POST TAG

1. Editor's Choice

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1. NYSE:AQN (Algonquin Power & Utilities Corp.)
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