3 Stocks That Could Be Ready to Take Off!

Description

If you're looking for timely opportunity, either to make a quick buck from a trade or something to hang onto through the next few years of excessive volatility, then you've come to the right place.

There are three major classes of stocks that are ripe for a big upside pop: winners that keep on winning (high-momentum stocks), troubled firms that have been overly battered (severely undervalued stocks), and flatliners (stocks that have consolidated over a prolonged period of time).

This piece will have a look at one top stock that's in each camp. So, without further ado, let's get to them.

Alimentation Couche-Tard

Up first, we have a winner that keeps on winning. **Alimentation Couche-Tard** (TSX:ATD.B) has been making new highs consistently for well over a year now. Despite the global economic slowdown and rising political tensions, Couche-Tard has continued chugging along with little care for what's hot off the presses on any given day.

You see, Couche-Tard is a reasonably defensive consumer staple with a magic touch. Management isn't trying to time the economy; they're entirely focused on doing everything in their power to double profitability over the next five years.

And while an economic windfall would help the company meet its ambitious target, it isn't required, as management has what it takes to drive tremendous value through the acquisitions it makes. Add recent comps-driving initiatives and its recent cannabis retail investment in **Fire & Flower** into the equation, and you've got a winner that'll keep raising the bar after every earnings beat.

Canadian Natural Resources

Up next, we have a stock that I think is absurdly undervalued and is ripe for a correction to the upside. **Canadian Natural Resources**

(TSX:CNQ)(NYSE:CNQ) stock has been in free fall lately, with shares plunging over 26% since April highs. At the time of writing, the stock recently fell below its December low, now sporting a whopping 4.9% dividend yield, the highest it's been in recent memory.

I'm sure you've heard that the Canadian energy sector has been a hideous place to invest. The wide WCS discount looks here to stay, and as firms continue capping production, many promising oil sands assets may be "land-locked" until the environment makes it more economical to turn on the spigot entirely.

When it comes to the Albertan oil patch, Canadian Natural is a king among men following the purchase of **Devon Energy's** Canadian assets. I think Canadian Natural bagged a bargain there, but don't expect the market to reward CNQ stock, as investors appear to be losing patience by the day.

In any case, CNQ stock trades at a ridiculously cheap 7.9 times forward earnings and 6.35 times EV/EBITDA at the time of writing, a low price to pay for a well-diversified business with steady cash flows.

Northland Power

Finally, we have the flatliner in **Northland Power** (TSX:NPI), whose stock has gone nowhere for three straight years.

In a way, this prolonged period of consolidation is a correction in itself. Such a consolidation is akin to the compressing of a coil, which has more potential energy once given a chance to spring into action.

With a 4.7% dividend yield, Northland is a highly underrated renewable energy income play. The stock has also become an affordable way to get into one of the hottest secular industries out there with shares trading at 15.4 times trailing earnings and 2.9 times sales.

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3. TSX:NPI (Northland Power Inc.)

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