Revealed: Top 3 Stocks of the 2019 TSX 30 Top Performers List!

Description

The top 30 **TSX** stocks over the past three years were recently released, with **Canopy Growth** stock leading the charge with an astounding 1,823% return over the time span.

As you'd imagine, there were plenty of marijuana stocks at the top of the TSX 30 winners, but surprisingly, there were also stocks of boring, well-run businesses that you wouldn't think would be capable of joining the ranks of the sexiest of pot stocks.

These "dull" stocks quietly posted multi-bagger gains over the last three years, and in this piece, we'll have a look at three unexpected stocks that made the TSX 30 top performers list that I think have much more room to run.

Air Canada

With a 346% return over the last three years, **Air Canada** (TSX:AC)(TSX:AC.B) came in at number seven on the TSX 30 list.

While it may be surprising to hear of an airline making the list, long-time Foolish followers were aware of the opportunity many years ago, as I and many other Fools have been pounding the table on the stock over its ridiculous undervaluation.

Back in 2017, I noted the vast tailwinds Air Canada was riding on and that the absurd 4.5 P/E multiple that wasn't too good to be true despite the skeptics.

The airline industry faced a paradigm shift, with more efficient aircraft, operations, such that they're no longer ticking time bombs waiting to implode at the first signs of the next recession.

That's a huge reason why Warren Buffett loaded up on U.S.-based airline stocks and why I've been urging Canadians to follow in his footsteps with Air Canada over the last three years or so.

At the time of writing, Air Canada stock still looks dirt cheap at nine times next year's expected earnings in spite of its glorious run.

Boyd Group Income Fund

Boyd Group Income Fund (TSX:BYD.UN) was number 30 of the TSX 30 with a three-year 126% return. The stock is also a top pick that I've been pushing for years.

The chain of auto body repair shops is in a boring industry, but it's a dominant force in North America with a management team that knows how to drive synergies from acquisitions like it's nobody else's business.

While the rise of electric vehicles may derail the company's proven growth model over the longer-term, there are many years' worth of growth to be had, as the North American auto body repair scene is still very fragmented, leaving ample M&A opportunities to be had for Boyd.

With the constant urge to merge, I don't see Boyd shares slowing down anytime soon. The low 0.2 beta is just a bonus for those seeking "smart beta" securities.

Constellation Software

Finally, we have another stock that I've been pounding the table on over the last few years. **Constellation Software** (TSX:CSU) scored a 158% return, making the #23 spot on the TSX 30, and I have a feeling that isn't the last time we'll see the venture-capital-esque software play make the list.

In a prior piece, I noted that Constellation was a stock that one could feel comfortable owning for a century. Similar to Boyd, Constellation sported massive capital gains over time with minimal volatility (0.69 beta), and with smart managers looking to create value through the acquisition of software start-ups, the stock is realistically capable of outperforming the markets over prolonged periods of time.

For those interested in the higher-return business of venture capital, Constellation is the ultimate bet and it's nowhere close to slowing down, even with its $28 billion market cap.

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