



3 Ways to Earn a Cool 95% in 2020 (While Avoiding the CRA)

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 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.

The three stocks below have returned an average of 95% over the past year. So if you're a TFSA investor looking to carry that momentum into 2020 (while keeping the CRA at bay), this list is a good place to begin.

Bridging the gap

Leading off our list is natural gas giant **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), whose shares are up about 12% over the past year and currently sit near 52-week highs of \$53 per share.

The stock slumped in the middle part of 2019, but an improved outlook for 2020 should continue to fuel a prolonged rebound. Just last month, for example, management said it expects full-year distributable cash flow (DCF) of \$4.50-\$4.80, nicely above its prior view of \$4.30-\$4.60.

More importantly, management also raised the dividend by a healthy 10%.

"[W]e remain focused on our key priorities for the year, which include achieving strong operating and financial results, adding to the secured project inventory, maintaining our financial strength and the continued self-funding of new growth," said CEO Al Monaco.

Enbridge currently offers a fat dividend yield of 6.2%.

Powerful pick

Next up, we have fuel cell technologist **Ballard Power Systems** ([TSX:BLDP](#))([NASDAQ:BLDP](#)), which

is up a whopping 239% over the past year and currently trades near 52-week highs of \$11.30 per share.

Ballard's massive turnaround has been fueled by impressive revenue growth, strong clean energy trends, and huge investor optimism over its China growth prospects. In the most recent quarter, revenue improved 15% to \$25 million, as its Technology Solutions platform saw a 61% spike in sales.

Moreover, Ballard's backlog currently sits at a comfortable \$200 million.

"The global megatrend toward zero-emission mobility is accelerating and putting increased momentum behind fuel cell-based power for motive applications, including buses, commercial trucks, rail, marine and cars," said CEO Randy MacEwen.

Ballard shares currently trade at a price-to-sales ratio of 28.

Here comes the sun

Rounding out our list is life insurance giant **Sun Life Insurance** ([TSX:SLF](#))([NYSE:SLF](#)), whose shares are up more than 30% over the past year and currently trade near 52-week highs of \$63 per share.

Sun Life's big gains continue to be supported by strong growth overseas (particularly in Asia), improving returns on equity, and increasing assets under management. In the most recent quarter, EPS of \$1.37 topped estimates by \$0.10.

More importantly, management increased the quarterly dividend by 5% to \$0.55 per share.

"We are pleased with the growth in insurance sales, led by Asia, our fastest-growing pillar, and growth in asset management sales, where we are meeting our Clients' needs for active fund managers with strong long-term performance as well as investment solutions in alternative asset classes," said CEO Dean Connor.

Sun Life currently boasts a healthy dividend yield of 3.5%.

The bottom line

There you have it, Fools: three red-hot momentum 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

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1. NASDAQ:BLDP (Ballard Power Systems Inc.)

2. NYSE:ENB (Enbridge Inc.)
3. TSX:BLDP (Ballard Power Systems Inc.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:SLF (Sun Life Financial Inc.)

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