



Why These 3 TSX Stocks Rallied on Wednesday

Description

After trading on a positive note in the last couple of days, the **S&P/TSX Composite Index** turned negative again on Wednesday. Today's pessimism could primarily be attributed to a record rise in COVID-19 cases in many U.S. states. [Fears surrounding the second wave of the pandemic](#) hurt investors' sentiments, driving the stock market lower today — especially energy stocks.

Nonetheless, many stocks were still trading on a positive note this morning. Let's take a closer look at three of these top **TSX** movers today and try to find out what helped them swim against the current.

Torex Gold Resources surged 7%

Torex Gold Resources' ([TSX:TXG](#)) stock inched up by 7% this morning after TD Securities started its coverage with a "buy" rating. The Canadian investment bank gave a price target of \$30 on Torex Gold's stock.

Currently, nine analysts are covering Torex Gold Resources with a consensus target price of \$28.73. This target price reflected more than 52% upside potential in Torex Gold's stock from its Tuesday's settlement price of \$18.87. Of these nine analysts, only one analyst is giving it a "hold," while all the remaining eight analysts suggest a "buy."

On June 5, the research firm BMO also raised its target on Torex Gold's stock from \$27 to \$33. Notably, Torex Gold has reported over 40% revenue growth rate in the last couple of years.

Aurora cannabis rallied over 6%

Shares of **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) — the Canadian marijuana company — climbed 6.5% earlier today. These massive gains were seen after two Wall Street analysts adjusted their recommendations and price targets on the company's stock. Analysts at **Stifel** turned slightly optimistic on Aurora on Wednesday and changed their "sell" rating to a "hold" and raised their price targets to \$17.50 from \$6.20.

In contrast, **Canaccord Genuity** lowered its target price on Aurora Cannabis today to \$21 from \$24 earlier. These changes in ratings came after the cannabis company [announced](#) its key business transformation plan yesterday. Per the plan, Aurora Cannabis expects to reduce about 30% of its production staff over the next two quarters. These measures will help the company significantly reduce its costs and regain investors' confidence.

Gold shining again

While the rising COVID-19 cases are taking a significant toll on investors' sentiments across the world, these fears are also helping some companies attract more investors. For example, shares of **B2Gold** ([TSX:BTO](#)) rose by 1.5% Wednesday morning — before turning mixed again later in the session. The Canadian gold producer's initial gains came as investors seemingly started seeking safer investment options.

In general, many investors tend to park their money in precious metals — especially in gold or related stocks — at the time of crisis — to avoid potential market risks. This is one of the reasons why B2Gold's stock has zoomed up 72.3% in the second quarter so far.

Notably, its stock is also maintaining about 40.9% solid gains on a year-to-date basis against an 8.8% decline in the **TSX Composite Index**.

Overall, you can expect any upcoming COVID-19-related update to keep the stock market highly volatile and investors on their toes in the coming days as well. But don't forget to strictly follow your risk management strategy while investing.

CATEGORY

1. Cannabis Stocks
2. Coronavirus
3. Investing
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TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. TSX:ACB (Aurora Cannabis)
3. TSX:BTO (B2Gold Corp.)
4. TSX:TXG (Torex Gold Resources Inc.)

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