



3 Top-Rallying TSX Stocks of 2020: Should You Buy?

Description

The year 2020 has really been an epic one for financial markets. Some of the top **TSX** stocks that once seemed indestructible lost 60-90% of their value, while some have tripled in just a few months.

Let's discuss some of the top-gaining TSX stocks of 2020. We will see what drove them and see if there is any steam still left.

Top gainers in Canadian broader markets include **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), which soared 172% this year. **Real Matters** ([TSX:REAL](#)) also stands tall with a 165% gain so far in 2020. Canadian miner **Teranga Gold** (TSX:TGZ) soared 120%.

Shopify's Q2 earnings reaffirmed its growth story

Despite valuation concerns, Shopify stock continued to climb higher in the last few years. One very rarely finds a gem like Shopify that performs so consistently with this momentum. A \$10,000 investment in this tech titan in May 2015 would have turned to \$450,000 today.

Shopify's aggressive growth plans and solid revenue growth played out really well for the stock. Lockdowns driven by the pandemic only increased the desperation for small- and medium-scale businesses to grow their digital presence. Even if the pandemic and lockdowns wane in the next few months, Shopify will likely see a higher impact due to changing consumer behaviour.

Its Q2 earnings only underline the growth story with revenues approximately doubling and profits growing eight times year over year. Investors who can stomach the above-average volatility can consider shares of Shopify at these levels. Buying in multiple slices would be more opportune for conservative investors.

A mid-sized TSX stock than soared 140% this year

Shares of the tech company Real Matters are up 165% year to date. Improved quarterly performance

and a solid business model fueled the stock in the last few months.

Real Matters is a \$2.8 billion tech company that serves mortgage lenders and insurance companies. It has seen higher business activities on the back of a boost in refinancing, driven by lower mortgage rates. As economies see some green shoots after the lockdowns, the trend might continue in the short to intermediate term.

After the recent surge, Real Matters stock has become expensive and could be a risky bet for cautious investors.

Shinier than gold

Almost all the gold and silver mining companies have seen a significant boost this year. Interestingly, \$2.6 billion company Teranga Gold holds the top spot among them, with a 120% gain. In the last five years, the stock has returned a handsome 450%, notably beating TSX giants.

It is a low-cost gold producer and operates two mines in West Africa. It aims to produce an average of 384,000 ounces of gold per year through 2025.

Higher realized gold prices notably boosted miners' earnings in the last few quarters. Teranga Gold's per-share profit for the second quarter of 2020 [increased almost six times](#) year over year.

The company is aiming for a higher production this year, driven by strong Q2 performance. Higher gold prices might continue to boost its bottom line and ultimately the stock.

The gold rally is expected to continue this year, and investors will increasingly move to [undervalued gold miner stocks](#). Teranga Gold stock does not look too expensive, despite the steep rally, and is an attractive investment proposition for long-term investors.

CATEGORY

1. Coronavirus
2. Investing
3. Metals and Mining Stocks
4. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:REAL (Real Matters Inc.)
3. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise

6. Yahoo CA

Category

1. Coronavirus
2. Investing
3. Metals and Mining Stocks
4. Stocks for Beginners

Date

2025/08/25

Date Created

2020/08/10

Author

vinitkularni20

default watermark

default watermark