



## This Rocketing TSX Stock Could Return 180% in 12 Months

### Description

**Maxar Technologies** ([TSX:MAXR](#))([NYSE:MAXR](#)) popped 6% Thursday. Friday saw further gains of 6%. In five days of trading, that put the tech solutions name in the green by 27%. Even better, the stock is up 217% since this time last year. The rally comes amid news that Maxar Technologies will be building the Galaxy 37 geostationary communications satellite for **Intelsat**. The latter outfit is that largest integrated satellite and terrestrial network globally.

I was bullish on this stock last summer. Here's what I wrote: "With a 97.9% estimated growth in earnings expected over the next one to three years, this stock is now looking like a must-have for tech and aerospace fans alike. Its sudden place in the spotlight and positive outlook also make it a strong choice for the general growth investor."

Since I wrote that, Maxar Technologies's annual earnings growth has been estimated upward to 108%. But thanks to the deleterious market forces of 2020, this top-notch aerospace name is still trading at a discount of 60% off its fair value. Near-term investors could see total returns of 180% in 12 months.

Going longer term, shareholders might expect some dividend growth here. A yield of 0.16% is almost negligibly small, but with an 8% payout ratio expected by 2023, there's clearly a lot of scope for growth. The latest news puts Maxar Technologies head and shoulders above the competition when it comes to space manufacturing stocks.

A [major player](#) in geospatial intelligence and offworld infrastructure solutions, Maxar Technologies comes with some impressive global diversification already built in. This one name operates in the U.S., Canada, Asia, South America, Europe, the Middle East, Australia, and beyond. The latest news also makes Maxar Technologies a key play in the 5G space.

## Smokescreens have been keeping this stock cheap

Other tech stock news has been bringing the focus away from hardware-weighted names such as Maxar Technologies. Indeed, software trends have been dominating this space all summer. A [rash of IPOs](#) has provided a smokescreen, drawing attention away from the potential of names like Maxar

Technologies. This presents value opportunities — or, at least, it did until this week's massive rally.

Other distractions abound, though. Look no further than the TSX30. For investors who kept an eye on the tickers that dominated last year's inaugural list of the strongest share price performers, 2020's newly released list is intriguing. The numbers are impressive and reassuring. The average three-year share price performance is up 242%, while market cap is up by \$221 billion.

Whereas last year's TSX30 was dominated by cannabis stocks, speculative plays are a little thinner on the ground this time around. In fact, this year's TSX30 includes 16 stocks from the **S&P/TSX Composite Index**, and five of those are in the S&P/TSX 60 Index. So far, so conservative.

Mining stocks featured prominently in this year's list of strongest three-year share price growth. Gold featured highly, though tech stocks have predictably taken centre stage, as the pandemic pushed more areas of the economy online.

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