



## 3 Top Gainer TSX Stocks of 2020: Will They Keep the Momentum in 2021?

### Description

**TSX** stocks at large have gained almost 5% so far in 2020. That's indeed commendable given the awful pandemic crash in March. However, some of the biggest Canadian stocks have more than doubled this year, absolutely thrashing the **TSX Composite Index**.

Let's see if they still have some steam left for 2021.

### Cargojet

A \$3.3 billion air cargo company **Cargojet** ([TSX:CJT](#)) takes the third spot with a 100% gain this year. The air freight carrier has had a wonderful year amid the pandemic and e-commerce. Its revenues increased by almost 40% so far in 2020 compared to the same period last year.

Amid the mobility restrictions and the absence of in-person shopping, consumers turned to online shopping, which boosted Cargojet's [top line](#). Interestingly, the trend can well continue in Q4 amid the resurgence of COVID-19 cases and a big holiday season.

A unique network, scale and time-sensitive delivery are some of its key competitive advantages. With evolving e-commerce and operational efficiency, Cargojet will likely see continued growth in 2021 and beyond.

Its premium valuation might hinder growth going forward. However, strong top-line growth and a prolonged pandemic could continue to push the stock higher.

### Shopify

The tech titan **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) stands at the second spot among the top gainer TSX stocks. It has gained 160% so far this year. The year 2020 has indeed been a remarkable one for the e-commerce store enabler.

Shopify stock has returned a handsome 4,250% in the last five years.

Shopify managed to grow its revenues by a massive 82% year over year for the nine months ended September 30, 2020. For the same period, the company reported profits of USD \$193 million against a loss of USD \$115 million in 2019.

The pandemic and the ensuing lockdowns were some of the biggest growth catalysts for Shopify this year. Many small- and medium-sized businesses turned to Shopify to set up their digital store amid the pandemic.

Notably, the company might continue to witness higher growth, considering changing consumer behaviour and growing e-commerce.

[Shopify stock](#) is unarguably expensive from a valuation standpoint. Despite valuation concerns, it might continue to soar higher as its revenue growth well justifies the premium valuation.

## Ballard Power Systems

The fuel cell maker **Ballard Power** ([TSX:BLDP](#))([NASDAQ:BLDP](#)) has been the top-performing stock so far this year. It has gained 170% year to date, even beating the tech titan Shopify. Interestingly, that is still notable underperformance compared to peer hydrogen stocks south of the border.

Unfortunately, the rally in Ballard Power stock is not backed by fundamentals. Like many other fuel cell players, Ballard Power has grown its revenues but failed to convert into profits.

The positive outlook for alternative fuels and increasing fame for electric vehicles has fueled the stock.

Ballard Power stock looks significantly overvalued at the moment. Turning profitable seems like a distant dream, but even the revenue growth also falls notably short to justify the premium valuation.

Somewhat worrisome is that market participants seem overexcited about the stock and it could see a serious pullback heading into 2021.

### CATEGORY

1. Coronavirus
2. Investing
3. Stocks for Beginners
4. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:BLDP (Ballard Power Systems Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:CJT (Cargojet Inc.)
4. TSX:SHOP (Shopify Inc.)

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