



Wow! This Canadian Stock Was up 280% in 2020

Description

2020 was one of the most eventful years for investors in recent memory. While the whole year revolved around the coronavirus pandemic and the risks that came with it, much of the last 12 months have offered investors significant opportunities. Many Canadian stocks have seen substantial rallies over the last year, and those savvy investors who were buying in the panic have seen incredible returns already.

Most of the biggest movers have been stocks impacted by the pandemic. This past year, the biggest losers were those in the travel, tourism, hospital, and entertainment and energy industries.

Meanwhile, tech and healthcare stocks saw a tailwind from the pandemic. Other Canadian stocks saw significant rallies as well.

One of the things the pandemic has reminded investors of is the importance of quality stocks with robust operations. It's not surprising that many of the top-performing Canadian stocks were high-quality growth stocks rather than struggling value stocks.

Renewable energy was one of the best-performing industries in 2020

One of the best-performing industries throughout 2020 was the renewable energy industry. There were several tailwinds that helped renewable energy stocks to gain favour with investors in 2020.

The biggest reason has been the continued momentum in enthusiasm for green energy for governments around the world. So, when investors were looking for high-quality Canadian growth stocks this year, [renewable energy stocks](#) were a natural choice.

The green energy industry is attractive, because it presents years of long-term potential. Even though it was one of the top-performing industries through the pandemic, it will continue to gain popularity, even when the pandemic is over.

One of the top-performing Canadian stocks of 2020

While many renewable energy stocks earned impressive gains in 2020, the most incredible performance came from a small-cap Canadian stock **Xebec Adsorption** (TSXV:XBC).

[Xebec](#) manufactures equipment that helps companies to reduce their carbon footprint considerably. While companies in industries across the board are being incentivized to reduce their footprints, Xebec has traditionally targeted utilities companies and other highly resilient businesses that can afford to make the investment.

That's been important for its growth and set Xebec up for an explosive 2020. The stock ended the year up a whopping 284%. Much of that is due to the momentum in renewable energy stocks. However, it also has to do with many of the attractive acquisitions Xebec made late in the year.

Traditionally, Xebec has produced equipment that purifies and filters naturally occurring gasses, transforming them into renewable natural gas. That's why the company has succeeded in targeting businesses like utilities.

With its recent acquisitions late in the year, though, Xebec has expanded into the high-potential hydrogen market as well, and investors have clearly liked what they've seen.

In just the last month, the Canadian stock has gained 44%. It continues to have several catalysts that could see it continue to skyrocket.

The stock will graduate to the **TSX** as of Thursday, January 7, 2021. This is yet another crucial development. It should bring several new investors, which means more upside momentum now that the company will no longer be a venture stock.

Bottom line

After an incredible year of opportunities in 2020, investors are going to have to work a lot harder to find high-quality growth stocks in 2021.

However, stocks like Xebec offer investors considerable upside potential whether or not the economy recovers this year.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:XBC (Xebec Adsorption Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/08/04

Date Created

2021/01/06

Author

danieldacosta

default watermark

default watermark