



2 Stocks That Returned an Average of 99.5% in 2021

Description

Cash is a safety net to many, because there's money available when emergencies or unexpected expenses crop up. However, leaving free cash idle isn't always advantageous. It could lose its value in an inflationary environment. Hence, why not invest in [growth stocks](#) to increase your purchasing power?

You can earn in two ways from stock investing: capital gains and dividends. On the TSX, **Capstone Mining** ([TSX:CS](#)) and **Cenovus Energy** ([TSX:CVE](#))([NYSE:CVE](#)) should be on your buy list. The stocks are [high flyers in 2021](#), rewarding investors with an average return of 99.5%. Market analysts recommend strong buy ratings for both. They also forecast more capital gains to would-be investors.

Top five growth stocks

Capstone Mining trades at only \$5.16 per share, although it has gained 256% from a year ago. Current investors enjoy a 117% year-to-date gain. Moreover, the \$2.13 billion company belongs to the elite TSX 30 list owing to its three-year performance of 433%.

The mining stock ranks fifth in the **TMX Group's** top growth stocks for 2021. Only **Aura Minerals**, **Shopify**, **Trisura Group**, and **Ballard Power Systems** had better performances than Capstone Mining in the last three years. Management believes the multi-asset operations position the innovative base-metals producer for transformational growth.

Pinto Valley in the United States and Cozamin in Mexico are Capstone's prime producing mines. The company also owns the Santo Domingo project in Chile, a large-scale, fully permitted, copper-iron-gold project. Investors were impressed with the miner's most recent quarterly earnings.

Capstone achieved a record operating cash flow of \$110 million in Q2 2021. Management likewise reported record production at Cozamin. According to its SVP and CFO, Raman Randhawa, Capstone has generated US\$205 million of operating cash flow after two quarters in 2021.

Regarding financial capability, management is confident it has enough to manage liquidity in the

foreseeable future. Besides the undrawn credit facility of US\$225 million, Capstone had a net cash balance of US\$171.5 million after the first half of 2021. The company expects to produce between 175 and 190 million pounds of copper for the whole year.

Earnings power

Cenovus Energy slumped in 2020 but is [staging a comeback](#) in 2021. Last year, the energy stock lost 40% had gained 522% since tanking to \$2.26 on March 18, 2020. As of October 8, 2021, the share price is \$14.06, a year-to-date gain of 82%. Based on analysts' forecasts, the price could appreciate by another 20.71% to \$16.97 in the next 12 months.

The \$28,38 billion developer of valuable oil and natural gas resources in Canada showed its earnings power in Q2 2021. Cenovus delivered free funds flow of \$1.3 billion during the quarter apart from continuing its net debt reduction. Because of the higher operating margin, Cenovus reported net earnings of \$224 million compared to the \$235 million net loss in Q2 2020.

Its president and CEO Alex Pourbaix said, "We posted a strong second quarter and expect to accelerate deleveraging in the second half of this year." Cenovus boasts an integrated, top-tier asset base that includes the assets of recently acquired Husky Energy.

Invest in high-growth stocks

Cash is king, but it could still lose its value due to rising inflation. Consider using your idle cash to purchase high-growth stocks like Capstone Mining and Cenovus Energy. Capital gains can help mitigate inflation risks.

CATEGORY

1. Energy Stocks
2. Investing
3. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:CVE (Cenovus Energy Inc.)
2. TSX:CVE (Cenovus Energy Inc.)

PARTNER-FEEDS

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

PP NOTIFY USER

1. cliew
2. kduncombe

Category

1. Energy Stocks
2. Investing
3. Metals and Mining Stocks

Date

2025/08/17

Date Created

2021/10/13

Author

cliw

default watermark

default watermark