



Why WELL Health Stock Jumped 10% on Monday

Description

WELL Health Technologies ([TSX:WELL](#)) shares climbed 10% on Monday, as the company saw renewed interest in tech and healthcare stocks. WELL Health stock [bottomed](#) out last week, falling to 52-week lows before starting to climb back up.

What happened?

WELL Health stock seems to have picked up [momentum](#) along with the broader market. However, there is something to be said for its gains recently. In particular, analysts have begun weighing in on the company, believing the stock will outperform its peers.

As of writing, the consensus target price for WELL Health stock is at about \$11.20. That's a potential upside of 142% as of writing, even after Monday's gains. Shares then continued to climb on Tuesday after the strength coming off Monday.

So what?

It looks like there is a turning point after the market dip in January, and WELL Health stock is taking full advantage. There are a number of reasons investors may be experiencing confidence in the stock once more. First, there are many organizations stating we may need to get used to living with COVID-19. If that's the case, WELL Health has a solid future as a telemedicine provider.

That being said, it's also set itself up for even after the pandemic. This comes from [expanding](#) into the United States on a massive scale through its CRH acquisition. Furthermore, it's now the largest outpatient clinic in Canada. And even if the pandemic ends soon, it's unlikely that telemedicine will suddenly disappear.

Now what?

We aren't expecting anything any time soon from WELL Health stock. Earnings aren't for another month or so. However, it did recently update investors, stating it expects "strong, record financial performance" for the next quarter. Its annualized run-rate should exceed \$450 million, and it expects strong growth from the U.S.

Furthermore, WELL Health has been an acquisition powerhouse. So, it could be that investors continue to see more acquisitions in the United States — especially as it hopes to come on the U.S. market very soon. With a consensus target more than double where it is now, it could be a great time to buy WELL Health stock before it climbs higher.

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Author

alegatewolf

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