



5 Things to Know About Cargojet Stock in November 2022

Description

If you were to look at **Cargojet** ([TSX:CJT](#)) over the last year, you wouldn't be all that impressed. After all, shares are [still down](#) about 19% year to date. However, if you were to take either a larger or closeup view, your opinions may change.

Cargojet stock is up 163% in the last five years, a compound annual growth rate (CAGR) of 21.33%! Furthermore, it's climbed 20% since its quarterly results came out. So, let's look at five trends we should be watching in terms of Cargojet stock on the TSX today.

1. Earnings

Despite the drop in e-commerce stocks, Cargojet stock hasn't been concerned about growth. In fact, its earnings continue to beat out estimates. During its most recent earnings report, the company saw a 20% growth in revenue year over year, even as inflation hit consumers hard.

Cargojet stock also reported \$83.4 million in profit. That's compared to a loss the year before, as e-commerce demand continues. But there's a reason Cargojet stock and management believe the company will continue to do well.

2. New strategy

Cargojet stock announced during its report that the company credits its new strategy of eyeing long-term commercial interests. It continues to adapt to customer demands, watch the economy, and look to these long-term agreements to support the growth of the overnight air freight company.

These agreements also mean an increase in long-term contracts with both [aircrafts](#) and companies themselves. Those agreements now include **Amazon** and **DHL**, creating global opportunities for growth.

3. Analysts on board

Analysts were also impressed by Cargojet stock during its recent earnings report. The company has a strong balance sheet that offers ways to create a stable growth trajectory in both the short and medium term.

The main point that that received analyst confidence is Cargojet stock and its full-year outlook for 2023. It expects to reach high single-digit or low double-digit domestic growth in 2023. This was by far an improvement of many analysts' estimates. This would come from Cargojet stock responding to the market and its performance quickly during a potential recession.

4. Remains a monopoly

A strong point of consideration is that Cargojet stock remains with a virtual monopoly on overnight shipping. This is incredibly important at a time when consumers expect incredibly fast delivery times. While you can look at trucking as another sector seeing growth, Cargojet stock holds a strong hand on air shipping.

With a growing fleets and business agreements, it's likely we'll continue to see this monopoly grow and flourish. Further, we should also see a continued expansion of contracts with companies such as Amazon and DHL.

5. Similar growth to the past

While we may not like looking to the past for growth, in the case of Cargojet stock, it could provide a clear answer to how the company should perform in the years to come. That's because the company saw amazing growth during that time. Growth that should occur once more.

In fact, with more aircrafts coming online year after year, and agreements now expanding to 2030 and beyond, Cargojet stock looks primed for superior long-term growth. Now, analysts give it a consensus price target of \$200. That's a potential upside of 49% as of writing.

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