



Could This Recent IPO Be Ready to Skyrocket?

Description

The IPO game is not for the faint of heart, as such new issued stocks tend to be extremely volatile and, like we've seen with many past IPOs, some have taken gigantic plunges. Warren Buffett isn't a fan of the IPO game because he likes predictability and enough years of public data to make smart investment decisions.

Ignoring IPOs altogether may be a cautious way to invest, but let's face it; there's an intense thrill that comes with IPO investing. Although the average investor isn't a fan of uncertainty, the excessive volatility could make you a huge winner in a short span, like with **Shopify Inc.** ([TSX:SHOP](#))([NYSE:SHOP](#)), which has been arguably one of the best IPOs to buy over the last few years. Unfortunately, you could suffer major losses incredibly fast, as in the case with **Snap Inc.** ([NYSE:SNAP](#)), which plummeted in the months following its IPO.

One could argue that these two businesses were explosive because they're high-flying tech stock IPOs. What about boring, low-tech IPOs? While they're more predictable, volatility will still be off the charts in the first year or so, but it's a lot easier to research and understand a lower-tech IPO like **Jamieson Wellness Inc.** ([TSX:JWEL](#)), which has been selling vitamins, minerals, and other health supplements to Canadians for nearly a century.

If you're a health-conscious person or a baby boomer who needs a boost that supplements can provide, then you probably have some Jamieson products lying around the house. They're in the recognizable bottles with a picture of a leaf and the green cap. The brand is quite powerful and is the go-to choice for many Canadians.

Vitamin production and distribution sounds boring. How is this IPO going to take off?

The baby boomer generation is getting older, and with age comes taking vitamins and minerals to ensure health. CEO of Jamieson Mark Hornick sees a global surge in demand for vitamins and other supplements going forward. Jamieson currently controls around 25% of the Canadian vitamin market, but the real opportunity lies in international expansion.

China is a very promising target for the company since many Chinese are already familiar with the

Jamieson brand. Unfortunately, the Chinese government has regulations in place that are making it difficult for Jamieson to expand to the fullest of its potential. But going forward, if Jamieson gets the green light, sales are likely to skyrocket, and shares will soar into the stratosphere.

Even if China keeps its regulations in place, there are many other promising destinations for Jamieson to expand to. I believe the company has a lot of power in its brand, and long-term investors who are interested in this low-tech, high-growth IPO should probably start buying small positions incrementally over the next few months.

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