



Buy the Dip for These 3 Stocks

Description

Stocks on the S&P/TSX Index retreated on August 10 in response to escalating tensions on the Korean peninsula that caused investors to turn away from riskier assets. The hope is that cooler heads will prevail and any sort of conflict will be averted. Stocks can experience rapid declines during these periods, but investors should stay grounded and focus on fundamentals.

Let's take a look at three stocks that have plummeted on recent news but offer a strong long-term outlook.

CAE Inc.

CAE Inc. ([TSX:CAE](#))([NYSE:CAE](#)) is Montreal-based manufacturer of simulation and modelling technologies and offers training services to airlines, aircraft manufacturers, and other customers. The company released its quarterly earnings on August 10. CAE hiked its quarterly dividend by 13% from \$0.08 per share to \$0.09. It posted revenue of \$698.9 million, which narrowly missed analyst expectations. Earnings per share also disappointed slightly at \$0.24.

The stock fell 3.17% to close at \$21.11 on August 10. The share price has experienced 12% growth in 2017 and over 20% year over year. The company reported a fine full fiscal 2017 with EPS up 15%. CAE is a good long-term buy and possesses a dividend for investors looking for extra incentive.

Canada Goose Holdings Inc.

The share price of **Canada Goose Holdings Inc.** ([TSX:GOOS](#))([NYSE:GOOS](#)) fell 3.04% on August 10 and closed at \$23.30. The Canadian winter clothing manufacturer released its fiscal 2018 first-quarter results on the same day. The company again reported a lower net loss than expected at \$12.1 million — a loss of \$0.11 per share. Revenue increased \$12.5 million to \$28.2 million; the growth was driven by earlier timing of shipments and strong growth in North American e-commerce sites. The company reported an expansion of gross profit to \$13.2 million from \$4.7 million in the first fiscal quarter of 2017, representing 46.9% of total revenue.

The stock has increased 8% since its initial public offering in mid-March. Canada Goose surged on

lower-than-expected losses reported in late May which saw the stock price reach an all-time high of \$32.80 in June before a slew of insider selling sent the price down. It has posted back-to-back positive fiscal quarters and can be had for a bargain at this stage.

Shopify Inc.

Shopify Inc. ([TSX:SHOP](#))([NYSE:SHOP](#)) stock fell 6.94% on August 10 to close at \$112.57. The Ottawa-based e-commerce company released second-quarter earnings on August 1 that blew away analyst expectations. Revenues increased 75% from Q2 2016 to \$151.7 million, and the company posted a net loss of \$15.9 million that came in below Shopify projections. The company has made big investments internally and is now projecting revenues of over \$650 million for the year. The stock has climbed an incredible 95% in 2017 and 130% year over year.

Shopify is a top growth stock and a company that has not even come close to reaching its full potential. Investors should be eager to take advantage of opportunities to buy shares that are taking hits due to external factors.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CAE (CAE Inc.)
2. NYSE:GOOS (Canada Goose)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:CAE (CAE Inc.)
5. TSX:GOOS (Canada Goose)
6. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date

2025/08/25

Date Created

2017/08/11

Author

aocallaghan

default watermark