3 Growth Stocks That Could Heat Up in the Winter

Description

The S&P/TSX Index has climbed 4.9% in 2017 as of close on November 10 and 10% year over year. The index dipped below the 15,000-point mark in early September before going on a surge that has propelled it to all-time highs. After a red-hot fall, and GDP slowing down in August, growth prospects may be harder to come by. Let's look at three of my top picks to grab before the holiday season.

Canada Goose Holdings Inc.

Canada Goose Holdings Inc. (TSX:GOOS)(NYSE:GOOS) stock has surged 20% since a November 9th report saw the company bump up its forecast. Canada Goose hopes to see its direct-to-consumer business contribute to roughly half of its profits. In an early October article I referenced the growth in e-commerce business that Canada Goose had demonstrated as one of the key reasons the stock price would rise.

Canada Goose still hopes to open 20 physical stores by 2020, but is clearly gearing up for an online push rather than committing to a brick-and-mortar model that so many other clothing retailers are struggling with. With the company gearing up for the holiday season, it continues to be one of my growth picks going forward.

Kinaxis Inc.

Kinaxis Inc. (TSX:KXS) is an Ottawa-based company that provides supply-chain solutions software to a broad range of clients. The stock has climbed 11.9% in 2017 and 7% year over year. Shares spiked following the release of its third-quarter results on November 1, but have since lost momentum. The stock fell 1.4% on November 10, closing at $69.94. The stock reached an all-time high of $91.98 in May, but it has since experienced downward pressure in particular after a second-quarter earnings report dropped its forecast for 2017.

Results in the third-quarter should serve to ameliorate some long-term concerns after the loss of a significant Asia-based client in the previous quarter. Revenue rose 12% to $33.5 million from Q3 2016, and subscription revenue increased by 24% to $25.8 million. In a September article, I outlined several reasons why Kinaxis deserved to be in growth portfolios. Kinaxis has been a top growth stock since its

IPO in June 2014, rising 438% since.

Aphria Inc.

Yes, yes, another cannabis stock is a worthy growth target. What else is new? **Aphria Inc.** (TSX:APH) is an interesting case, though, and could present some enticing value compared to its other top competitors.

The stock has likely seen its growth potential stifled somewhat by concerns over the continuing **TMX Group Limited** review of its listing status in light of possible violations of U.S. federal law. Fears over delisting proved a speed bump for the cannabis stock rally in mid-October. Aphria leadership appears confident of a compromise rather than having to divest itself of its stakes in U.S. states like Ohio, where it plans to produce medical cannabis, which was just legalized in the state.

Aphria is up 9.3% month over month, which is modest compared to the gains of some of its competitors, like **Canopy Growth Corp.** It remains a top Canadian producer with some of the lowest costs to produce on the market. At under $10, it is still a bargain ahead of the July 2018 deadline for recreational legalization.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:GOOS (Canada Goose)
2. TSX:GOOS (Canada Goose)
3. TSX:KXS (Kinaxis Inc.)

PARTNER-FEEDS

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

Category

1. Investing

Tags

1. Editor's Choice

Date
2025/07/07
Date Created

COMPANY NAME
Address | Phone | Link | Email

2017/11/17
Author
aocallaghan