



## How TFSA Investors Can Enjoy Doing In-Depth Research and Analysis

### Description

In almost every circumstance, investors are required to pour over financial statements and annual reports before making an investment with the expectation that their hard work will increase the likelihood of success. With the opportunity to learn everything possible about a company or industry, many investors will not hesitate to spend hours reading in addition to sometimes trying out the products of the companies they're researching. Enter the enjoyment part of researching a company.

For names such as **Andrew Peller Ltd.** ([TSX:ADW.A](#)) or **Corby Spirit and Wine Ltd.** ([TSX:CSW.A](#)), investors have the opportunity to enjoy trying out the products offered by the companies for taste, quality, and value. In the business of selling wine and spirits, both companies have a variety of products available that are consumed around Christmas time. From the standpoint of investors, this is an opportunity to offer a wonderful bottle of wine at a Christmas dinner and evaluate how well it is received.

Before the fun of product testing begins, however, it is still very important to diligently consider the company's financial statements and determine if the valuation is reasonable. In the case of Andrew Peller, the company has experienced growth in revenues at a compounded annual growth rate of 4.8% from fiscal 2013 to fiscal 2016. The element that will surprise many about the company's revenues is that the quarter which includes Christmas only accounted for 27.5% of total revenues. Clearly, this company is not as seasonal as some thought.

Corby Spirit and Wine seems to offer investors substantially more than Andrew Peller. At a price of \$2.25, the company pays a quarterly dividend of almost 4%, and it has a very low beta. In spite of a share price which has been stagnant for the past year, the company has still managed to grow revenues and income from operations by a rate in excess of 1.5%. Although this may seem like a small number, investors have to appreciate just how competitive the Ontario wine market has become.

Although dividend-payout ratio remains high, the trend over the past few years has been on the decline. As a marketer of wine and spirits, investors who remain patient will enjoy an above-average yield in addition to the potential for the company to scale its operations as one of the country's leading importers of adult beverages.

With the holidays around the corner, investors and the companies have the opportunity to take advantage of the increase in alcohol consumption. In the case of investors, it can determine if there is going to be an above-average demand for an outstanding product or not. For the companies, improved marketing campaigns over the next several weeks could move the needle substantially in the months to come.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:ADW.A (Andrew Peller Limited)
2. TSX:CSW.A (Corby Spirit and Wine Limited)

## PARTNER-FEEDS

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

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