



## How Does Roots Corp. Look After its 1st Month of Trading?

### Description

We don't get a lot of Canadian retailer IPOs, which might be why **Canada Goose Holdings Inc.** and **Roots Corp.** ([TSX:ROOT](#)) got a lot of attention this year. While Canada Goose has done well since its IPO in the spring, Roots faltered out of the gate. The stock has been trading for just over a month. Does it look any better now?

### A month of trading

The IPO was priced at \$12 per share, but quickly slid down into the \$9 range when it hit the secondary market. The company has faced the same challenges of many retailers — namely, fighting off online competitors such as **Amazon.com, Inc.** You can take a look at our discussion of the opening flop [here](#).

How does the stock look now? It hit a low in trading when it dropped under \$9 within a week of its debut. It has been up and down since and recently opened over \$10, so it's nice to see the stock rebounding a little. However, it still hasn't come close to its \$12 opening price.

### What's new with the stock

There hasn't been a whole lot of reported news on the stock since it stumbled out of the gate. The only real announcement the company made was the launch of a new experience store in Vancouver's CF Pacific Centre. It's a large store for Roots at almost 4000 square feet. It includes a lounge where people can browse the roots.com shop. I'm not sure I understand the point of physically going to a store only to peruse its online store instead. I guess time will tell if the new concept store helps boost revenues.

The company will announce third-quarter fiscal results, the first earnings since going public, on December 6 after market close. These results will be key for current and prospective investors. We will finally see some concrete numbers. If the results are good, expect to see an uptick in the stock price, at least in the short run.

### Bottom line

Many people have shied away from the stock, and we've seen a few stories on what to buy [instead](#).

Roots is in a tough industry right now, which is likely causing much of its pain. I would suggest waiting until Q3 results come out before making an decision about buying the stock.

## CATEGORY

1. Investing

## POST TAG

1. Editor's Choice

## TICKERS GLOBAL

1. TSX:ROOT (Roots Corporation)

## PARTNER-FEEDS

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

## Category

1. Investing

## Tags

1. Editor's Choice

## Date

2025/09/30

## Date Created

2017/11/30

## Author

sportelance

default watermark

default watermark