



3 Stocks to Watch This Week

Description

Earnings season is right around the corner, and some big companies are reporting this coming week that you should keep an eye out for. It might be a good time to buy these stocks if you're anticipating good performances.

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is definitely the headliner, as the tech stock is expected to report its third-quarter results this week. The stock is coming off a [Q2](#) that continued to show strong growth — but at a decreasing rate.

This is certainly a trend we've started to notice of late for the company. Gone are the days of Shopify's sales doubling with ease. What number its growth rate comes in at will play a big role in whether or not the stock sinks or soars on earnings day.

Even despite the slowing sales growth, Shopify's stock continues to be one of the top performers on the TSX, and investors remain bullish on the stock. However, if the company continues to underwhelm investors, like it did last quarter, we could see many people hitting sell on this stock.

I'll continue to hold the stock either way, because I'm optimistic for the impact that online cannabis sales will have on the company's top line.

Other areas of interest for investors will be whether Shopify can finally turn a profit and if it is able to stop burning cash. Although I'm not optimistic either one of those will happen, I'm still bullish on the stock and think it could be a good buy ahead of its earnings.

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) is also slated to release earnings this week. It is coming off a strong quarter where its sales rose by 9% and profits were up by 27%.

While the railway operator may not be as popular of a stock as Shopify is, CN Rail's earnings might be more valuable since they will offer insight into how the economy is doing. We'll be able to see which commodities are doing well, and which ones may be struggling.

It's a good way to gauge the direction of the country, as a good performance by CN Rail suggests we

may see another strong quarter for the economy, while a poor performance could suggest some trouble ahead.

Restaurant Brands International ([TSX:QSR](#))([NYSE:QSR](#)) has seen its share of controversy this year, mainly around Tim Hortons and the struggles the chain has faced. From trouble with franchisees, a brand that appears to have lost value with consumers, and weak sales numbers, there are plenty of issues that are weighing down the popular coffee shop.

And without a strong performance by Tim Hortons, Restaurant Brands will be [limited](#) in its growth potential. What investors will want to keep an eye out for are the same-store growth numbers, which indicate how well the restaurant is growing organically.

With many initiatives to try and get Tim Hortons going, it'll be interesting to see if there is any uptick in the restaurant's growth rate this quarter. Over the long term, Restaurant Brands still has big plans for Tim Hortons as it is hoping further international expansion could revitalize the brand.

However, I'm not optimistic we'll see any big improvements in time for this quarter, and I expect the stock to be down come earnings day.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:QSR (Restaurant Brands International Inc.)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:CNR (Canadian National Railway Company)
5. TSX:QSR (Restaurant Brands International Inc.)
6. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

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

Category

1. Investing

Date

2025/08/26

Date Created

2018/10/21

Author

djagielski

default watermark