



2 Stocks to Dress Up Your Portfolio This Halloween

Description

October has lived up to its bitter history for investors and delivered one of the worst months for stocks since the financial crisis. It may indeed be a happy Halloween for those ready to kiss this month goodbye.

Around this time last year, I'd [discussed](#) TSX-listed companies that see an increase in activity during the holiday season. The fall has not been kind to investors, but solid economic fundamentals and a strong job market means that consumers will enter the holiday season ready to spend. High debt and rising interest rates are eating away at purchasing power, but Canadians in top wealth and income brackets have continued to deepen gains in 2017 and 2018. This is good news for luxury retailers.

Last year saw record numbers for online and mobile sales in Canada and the United States, and there is a good chance we will see the same in 2018 as more consumers migrate to e-commerce channels.

Instead of succumbing to fear this Halloween, investors should consider these two companies that will see peak activity during the holiday season. Both brands have posted impressive growth over the past year and are well positioned to finish 2018 on a positive note.

Canada Goose ([TSX:GOOS](#))([NYSE:GOOS](#))

Canada Goose stock has dropped 19.7% month over month as of close on October 30. Shares bumped up 5.75% at yesterday's close, as the TSX managed to put together a decent rally. Even after the October slump, Canada Goose stock has climbed 68% in 2018. The stock is up 140% year over year.

Canada Goose is expected to release its fiscal 2019 second-quarter results in early November. The first quarter was very positive for the company as revenues rose 58.5% year over year. The company continued to see progress in its e-commerce business as it posted direct-to-consumer revenue of \$23.2 million, which represented an \$8.3 million increase from the prior year.

The company should receive an additional boost this fall, as it will move forward an expansion to its brick-and-mortar retail operations. Canada Goose will open three new stores in Stone Hills, New

Jersey, Montreal, Quebec, and Vancouver, British Columbia this fall. Its Montreal store will include a “cold room” — an immersive experience where customers can test Canada Goose parkas in a minus 25 degrees Celsius environment.

Aritzia ([TSX:ATZ](#))

Aritzia stock has bucked the broader trend in October — it has climbed 10.9% over the past month as of close on October 30. Shares are now up 49% in 2018. Back in July, I’d discussed why Aritzia was [my top clothing stock](#) for the rest of the year.

Aritzia released its fiscal 2019 second-quarter results on October 4. It marked another good quarter for the company, as comparable sales rose 11.5% year over year and net revenue climbed 18% to \$205.4 million. Adjusted net income surged 76.3% to \$18.3 million. The company reaffirmed its plans to open two more stores in the final two quarters of the fiscal year. Aritzia is also forecasting mid-teens revenue growth over the prior year.

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