



November Could Be Just as Volatile as October — And That's a Good Thing!

Description

October will go down as one of the most volatile months in recent memory. In addition to the inordinate number of surprises we had last month, November is promising to be just as fun, particularly as markets kick into the holiday season.

Here are some of the major updates investors can expect, including some fallout from major events we saw in October.

Technically, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) posted results for its third quarter at the end of October a little over a week ago, but investors can expect some more volatility to slip into the market this month.

In those Q3 results, Shopify saw net earnings plunge 20% year over year, but the company still managed to surpass analyst expectations by earning a healthy \$0.04 per share. While some of that growth could arguably be attributed to set up fees linked to the cannabis legalization wave that transpired last month, the real boost to earnings from legalization will likely not make a dent in earnings until the next quarter.

Shopify even took the step to [open a physical store](#) last month to help support its clients, which proved to not only be a useful support aid, but also a likely source of new business for the company.

Speaking of legalization, cannabis stocks were some of the best-, worst-, and mixed-performing stocks of the month. After coming into October riding highs, **Canopy Growth** ([TSX:WEED](#))([NYSE:CGC](#)) and some of its competitors lost steam as the month progressed, with all of those gains going up in smoke with a month-over-month decline of 18%.

As mentioned before, the [legalization market](#) is still very much in its infancy, so investors looking squarely at the long term will be rewarded, provided they have an adequate appetite for risk.

The potential upside over the long term is off the charts. Canopy has already scored a major investment from a beverage company, supply agreements with a handful of provinces as well as several nations, and is already accounting for one-third of the entire Canadian supply commitment.

All this, and we're under a month into legalization.

Air Canada ([TSX:AC](#))(TSX:AC.B) announced third-quarter results on Halloween, and the results were anything but scary. Operating revenues hit a record \$5.415 billion in the third quarter, reflecting an 11% gain over the same period last year. One point worth noting is that the record-breaking figures in the quarter were achieved, despite significant headwinds coming in the form of rising fuel prices.

Air Canada attributed part of that positive performance to a disciplined focus on cost control and efficiency, and looking towards the fourth quarter, when both business and holiday travel tend to pick up, that trend could continue.

November also marks earnings season once again for Canada's big banks. **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is set to provide an update towards the end of the month, and the bank's growing network of branches in the U.S. continues to provide ample growth and income-earning potential to investors.

In terms of a dividend, TD Bank has provided a dividend for well over a century and has established a precedent of providing annual hikes to its dividend, which, coincidentally, should, if that schedule persists, see the bank offer a hike later this month to its already appetizing 3.69%.

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4. TSX:AC (Air Canada)
5. TSX:SHOP (Shopify Inc.)
6. TSX:TD (The Toronto-Dominion Bank)
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