Catch Canada Goose (TSX:GOOS) as it Soars to an All-Time High!

Description

With key indicators of a resurgent bear mood afoot in the markets, such as the CNN Fear and Greed Index's current "extreme fear" reading, it's an interesting time to check the stocks trading at their 52-week highs. These are the stocks that are beating the TSX index to soar to new heights, despite market uncertainties, and are often missed by beginners investing in Canadian stocks for the first time.

Among the best of the soaring stocks is the iconic fashion retailer listed below. It's a key ticker on the TSX index and one that gets a shout out in numerous guides on how to invest in the stock market. While rising stocks might not be the most secure options when buying shares on the TSX index for the first time, the following is a sturdy ticker if you're a medium-risk investor looking for stocks to buy now.

Canada Goose (TSX:GOOS)(NYSE:GOOS)

A soaring share price of $85.09 signals the apex of Canada Goose's flight to the top. While some may worry that there is not much upside left for this iconic clothing label, the fact is that the trend of this ticker has been pretty steadily upward over the last 12 months or so.

A market cap of $8 billion makes this one of the better defensive Canadian stocks, while a one-year past earnings growth of 279.4%, easily outperforming the North American luxury industry, and five-year average past earnings growth of 54.8% are great news for growth investors. However, it belongs on the list of TSX stocks to watch for a dip with its high PEG of 3.7 times growth — more on that valuation later.

A debt level of 96.2% of net worth may count this one out for the risk-averse investor, while an apparently high volume of inside selling of shares in Canada Goose in the last six months signals that this goose may have been cooked already. However, running this ticker through a basic stock-screening system returns a strong buy signal, as we'll see in the next section.

Value, quality, and momentum

Three of the core indicators of a stock's buy, hold, or sell signal comprise a basic stock-screening technique that I have been using since the summer. In terms of that first factor, Canada Goose really comes down to Earth with a thud: a P/E of 91.3 times earnings, P/B of 36.5 times book, and no dividends leave this stocks with a very low value rating.

In terms of quality, though, a high ROE of 40%, acceptable EPS of $0.83, and significant 24.8% expected annual growth in earnings really lift this stock's "buyability," while in terms of momentum, Canada Goose gained 6.96% in the last five days (at the time of writing), and its share price is overvalued by more than twice its future cash flow value. A beta of 0.73 indicates low volatility, though, pulling down the momentum score.

The bottom line

With one-year shareholder returns of 138.2%, Canada Goose remains one of the best tickers on the TSX index to snap up while it's rising if you want to make some money with Canadian stocks. Investing in Canada often involves buying into iconic brands, which are much loved by millennial investors, among others; Canada Goose is an excellent and potentially profitable example of this.

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