



An Under-the-Radar TSX Index Growth Stock for Your TFSA Forever Fund

Description

As a Canadian, you're probably well aware of the **Jamieson Wellness** ([TSX:JWEL](#)) brand, whose green-capped products are probably sitting in your medicine cabinet. What you may not know, though, is that the nearly century-old supplements company is a publicly traded entity on the TSX index as of a few years ago.

As one of the oldest Canadian companies out there, the company has had the opportunity to build a reputation (and a moat) in the vitamins, minerals, and supplements (VMS) space — an industry that's been crowded with generic, low-quality VMS producers in recent years.

Jamieson's green cap can be seen as a seal of approval for those looking for quality supplements that aren't full of filler, as the brand has been a trusted name through many generations. So, despite the rise of "generic" private label consumer packaged goods brands, Jamieson maintains its position of power thanks to the brand equity that's been built over 100 years.

Although there may not appear to be much [growth](#) to be had with a century-old vitamin company, Jamieson is a standout player that's positioned to experience impressive sales growth numbers over the next few years, as the company aggressively expands beyond the confines of Canada. Add continued new product launches into the equation, and it becomes more apparent that Jamieson is a sexy high-grower in an [unsexy](#) industry.

For the fourth quarter, Jamieson posted \$99.1 million in revenue, up a whopping 17.6% on a year-over-year basis, beating analyst expectations of \$97.5 million. Adjusted EBITDA of \$22.9 million was as expected thanks in part to a rebounding in Strategic Partners business, which was a major drag in the quarter prior, and solid numbers in the core Canadian business.

With new products like Jamieson Essentials plus protein continuing to prop up sales numbers, the first batch of Chinese released product could send the top line into the stratosphere in 2019. Jamieson is rolling out its product lineup in China, and seeing as Jamieson is a top foreign brand, I expect nothing short of success, as the company looks to steal the throne from incumbent players.

Foolish takeaway

Jamieson is a powerful brand, and the Chinese market is going to provide the company with a major growth spurt that could cause Jamieson shares to pop. With shares trading at just 2.4 times sales, I find Jamieson to be one of the most undervalued TSX names out there at this juncture when you consider the near-term catalysts that could kick in as early as summer.

I'd buy the stock now and hang onto it for years before other investors become more aware of the growth potential to be had from China.

Stay hungry. Stay Foolish.

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