



2 Hot TSX Stocks to Buy Before 2020

Description

Investors have been bombarded with news of yield curve inversions and a potential global recession in August. Shaky market conditions should not drive investors away from many of the great growth opportunities still available on the TSX. Today, I want to look at two stocks that have caught fire over the past several weeks. Both are well worth riding into the new year. Let's explore why.

Jamieson Wellness

Jamieson Wellness ([TSX:JWEL](#)) stock had climbed 11.9% over the past three months as of close on August 20. Back in late March, I'd recommended that investors pick up Jamieson as it had plummeted to an [attractive price point](#). The company released its second-quarter 2019 results on August 9.

The dietary supplements market is set for big growth in the next decade. A recent report from the market research and consulting firm Reports and Data projected that the global dietary supplements market would reach \$210 billion by 2026. This would represent a CAGR of 6.4% from 2018 to 2026.

In the second quarter, Jamieson saw revenue rise 8.6% year over year to \$80.6 million as adjusted net income increased 14.4% to \$7.9 million. Jamieson has started construction of distribution in domestic retail channels in China, which is a highly lucrative market in this space. International growth powered Jamieson's earnings in Q2, rising 10.2% from the prior year. Gross profit increased by \$2.9 million from Q2 2018 on the back of revenue growth and improved operating efficiencies.

Jamieson reaffirmed its fiscal 2019 outlook. Investors can look forward to the China product shipment, the India rollout, and more progress in its U.S. e-commerce offerings in the back half of this year.

Maple Leaf Foods

Maple Leaf Foods ([TSX:MFI](#)) stock has shot up 10.9% over the past month as of close on August 20. Shares have gained considerable momentum in 2019 on the back of Maple Leaf's foray into one of the hottest markets of the year. Earlier this month, I'd discussed why Maple Leaf could be [Canada's version](#)

of **Beyond Meat**.

The plant-based protein craze has erupted over the past few years, but the IPO of Beyond Meat seems to have brought this trend into the mainstream. A recent report published by market research firm Meticulous Research projected that the global plant-based protein market would reach \$14.32 billion by 2025. This would represent a CAGR of 8.1% from 2019 to this endpoint.

The company released its second-quarter 2019 results on August 1. Sales rose 12.5% year over year to \$1.02 billion. Maple Leaf reported double-digit growth in its plant-based protein portfolio. Management has plans to ramp up its investment in this space going forward.

For the rest of the year, Maple Leaf plans to invest a portion of its \$460 million capital expenditure in its new plant-based protein facility in Shelbyville, Indiana. It is targeting 2020 sales to reach above \$280 million on the back of its Lightlife and Field Roast Grain Meat brands.

CATEGORY

1. Investing

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2. TSX:MFI (Maple Leaf Foods Inc.)

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Date

2025/07/05

Date Created

2019/08/24

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