These 4 TSX Stocks Broke Out This Week – But Should You Buy?

Description

Tech stocks that mix positive share price momentum and quality can be few and far between. This week saw positive movement on the TSX for both **Kinaxis** (TSX:KXS) and **Constellation Software**, however. Let's see what else fared well this week, as well as one consumer staples stock that looks like a falling knife.

Two tech stocks with upward momentum

The sales and supply chain software company Kinaxis has seen positive action this week, up by a few points over the last five days of trading on the TSX.

Its flagship software, RapidResponse, taps the boom in cloud computing, and tech investors are bullish on its outlook.It's not a cheap stock, though, and trades at almost 10 times its book price. Kinaxis has had a great year and is up by more than 50%.

Constellation is your go-to stock for ad hoc tech solutions. Its client base is impressively diverse, encompassing finance, drinks, tourism, clothing, the service industry and more.

It's also a good choice for geographical variety, with a global footprint that covers North and South America, the E.U., Australia and Africa. Its stock is up 7.5% in the past month. With a P/B of 36 times book, it's not cheap, however.

Three more stocks to buy and hold

Canadian Tire is a smart play for instant diversification with some solid defensive attributes. A multi-line retailer including home and sporting goods, Canadian Tire is also active in fuel sales, finance (in conjunction with Scotiabank), and real estate via an REIT.

It also bought out Helly Hansen, a big name in sports and work wear. Canadian Tire pays a dividend yield just below 3%, just right for a TFSA.

Cogeco Communications was also seeing positive movements this week. Paying a 2% yield and up by a few points, Cogeco has carved a niche for itself in the Canadian broadband space.

While it has other strings to its bow, such as telephony, internet, and video services, the majority of its revenue is sourced from broadband, making it a different play from its two biggest competitors leaning heavily into media.

The past three months have been rife with uncertainty, so it's interesting to see which stocks have impressed in that period. Kinaxis has seen three-month gains of 33%, while Constellation has improved by 7.6% in the same period.

Canadian Tire has gained 16% over the last three months, while Cogeco has gained 12%. Overall, Cogeco has galloped ahead by an impressive 88% in the last 12 months.

Rogers Sugar was hitting a 52-week low, over on the other side of the spectrum. Consumer staples investors may want to take advantage of the down scaling sugar manufacturer's weakness and stack shares while they're cheap.

The company pays a 7.45% yield, one of the richest in the food industry, though that will of course widen if the stock continues to fall. Rogers Sugar has ditched 14.7% in the last year.

The bottom line

All four breakout stocks are looking like a buy at the moment, with Kinaxis displaying especially strong growth.

The telecom pick is potentially less impacted by the streaming wars, which could steal market share from its competitors, while stocks like Canadian Tire would suit a recession-proof style for investors with broad financial horizons.

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