



Is This the Perfect TSX Growth Stock for a 2020 Market Rally?

Description

Investors should start factoring in COVID-19 response plans when they shop for stocks. But what if investors also factor in a potential market rally by the end of the year? Every setback causes massive dips. Every breakthrough leads to a sudden bull market. A full recovery by year's end could be monumental.

Let's look at one name that has taken quite a battering of late. **Canada Goose** ([TSX:GOOS](#))([NYSE:GOOS](#)) had its wings clipped by one setback in China after another. Its growth in Asia had investors falling over themselves to buy shares in the growth name. But then the trade war came along. This was closely followed by unrest in Hong Kong. And then came the coronavirus.

Canada Goose stock is already rallying 25%

Canada Goose was hot property after its 2017 IPO. Investors sent its share price rocketing to four times its initial value. Now, fast forward to the last couple of weeks of the coronavirus crash. Canada Goose, once one of the [hottest growth stocks on the TSX](#), is seriously discounted. The stock is down 4% in the last three months. Investors therefore have a second chance to get in at ground level.

Why buy? The parka company is iconic. It's seen huge growth. The last five days saw it rocket 25%. The logo and the style is a status symbol, popular the world over. Once the global economy recovers — and it will — this classic apparel name will begin once more its stratospheric climb. Canada Goose is a therefore a [strong growth stock to buy and hold](#).

The parka producer is also a play for COVID-19 prepping. Canada Goose is taking the fight to the coronavirus by joining other big names in apparel to pump out PPE. Last week saw the Goose commit itself to making protective equipment for medical staff on the front line. Canada Goose is joining the fight against COVID-19 by re-purposing some of its operations.

The company announced last week that it will put two of its manufacturing facilities to use producing medical gear. Canada Goose has committed itself to pumping out an initial 10,000 scrubs and gowns. The protective wear will be distributed to hospitals this week. Toronto and Winnipeg will spearhead the

drive, manned by roughly 50 employees.

CEO of Canada Goose, Dani Reiss, said in a press release last week: “Across Canada, there are people risking their lives every day on the frontlines of COVID-19 in healthcare facilities, and they need help. Now is the time to put our manufacturing resources and capabilities to work for the greater good.” Reiss will also donate his next three months’ salary to the Employee Support Fund.

The bottom line

Maybe you’d been kicking yourself that you’d missed out on Canada Goose’s IPO three years ago. The fact that its share price shot up fourfold probably didn’t help your mood. Well, now investors have a chance to get in at ground level. The parka producer is positioned to skyrocket on a 2020 market rally. In short, if you’re looking for steep long-term growth potential, this is your stock.

CATEGORY

1. Coronavirus
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3. growth
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