



Market Crash: Is it Time to Take Profits in These Explosive Stocks?

Description

The **S&P/TSX Composite Index** rose 198 points on August 4. Meanwhile, indices south of the border also enjoyed a more modest uptick. Stocks have continued to gain momentum since the market crash in March, but investors are anxious in this uneven economy. This has been illustrated by the meteoric rise for safe havens like gold and silver in recent weeks.

Whether a market crash is imminent or not, investors may want to consider taking profits in stocks that have soared to 52-week highs in recent weeks. Today, I want to look at two TSX-listed stocks that fit the criteria. Should you sell today? Let's dive in.

Market crash: Can this top stock keep soaring?

Jamieson Wellness ([TSX:JWEL](#)) is one stock that I'd [suggested](#) investors should bet on in early May. Shares of Jamieson have climbed 51% in 2020 as of close on August 4. The stock is up 89% year over year. However, as we mull over the chances for a market crash, it is hard to ignore Jamieson's high valuation right now.

On the earnings front, the company has continued to impress. Revenue grew 16.5% to \$84.5 million, and adjusted EBITDA increased 15.2% to \$16.7 million. Jamieson saw a boost to demand, as consumers grew more health conscious in the face of the COVID-19 pandemic. It also continued to see very positive results as it moves to expand in Asia.

Shares of Jamieson last had a high price-to-earnings (P/E) ratio of 45 and a price-to-book (P/B) value over 5.5. The stock last had an RSI of 73, which puts Jamieson in technically overbought territory. I love Jamieson as a long-term play due to its strong position in the growing nutrition and supplements market. However, this hot stock will be vulnerable in the event of a market crash.

Will turbulence claim this hot stock in 2020?

KP Tissue ([TSX:KPT](#)) is a producer, distributor, marketer, and seller of disposable tissue products in

North America. The March market crash saw the stock fall close to a five-year low, but it has since rebounded. Shares of KP Tissue have climbed 28% in 2020 so far. The stock is up 57% year over year. Its first-quarter 2020 results were released on May 8.

Revenue rose 6.9% year over year to \$375.1 million. Meanwhile, adjusted EBITDA soared 116% to \$51 million. Like Jamieson, KP Tissue also received a boost due to the COVID-19 pandemic. Investors will remember the tissue shortages that erupted when North America was faced with the initial outbreak. Predictably, this was a positive for companies like KP Tissue.

KP Tissue last had a favourable P/B value of 1.2. Moreover, the stock still offers a quarterly dividend of \$0.18 per share. This represents a strong 5.9% yield. We are unlikely to see a rush on tissue products that we saw to kick off the spring. However, value-wise, KP Tissue still looks like a solid hold right now. Its income adds an extra boon for investors worried about a market crash.

CATEGORY

1. Coronavirus
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:JWEL (Jamieson Wellness Inc.)
2. TSX:KPT (KP Tissue Inc.)

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Date

2025/09/30

Date Created

2020/08/05

Author

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