



This Healthcare Stock Is 1 of the Hottest Buys on the TSX

Description

Founded in 1922, **Jamieson Wellness** ([TSX:JWEL](#)) is the leading manufacturer and distributor of high-quality natural health products in Canada, including vitamins, herbal extracts, and skincare products. It is one of the country's most trusted vitamin brands. Jamieson is one of the best stocks you can buy on the TSX right now.

The company has been incredibly resilient since the start of the pandemic. Sales of vitamins and supplements aren't impacted by a recession. The pandemic has even helped to boost sales, as people are becoming more health conscious. An aging population is also positive for Jamieson, as older people tend to buy more health supplements than younger people.

Jamieson had a strong second quarter

[In the second quarter](#), revenue increased by 15.6% to \$93.2 million, driven by 22.2% growth in Jamieson Brands. Net income was \$6 million, and adjusted net income increased 25.1% to \$9.9 million. Earnings per diluted share were \$0.15, and adjusted earnings per diluted share were \$0.24, beating estimates of \$0.21.

Mark Hornick, president and CEO of Jamieson Wellness, said in a statement: "I am pleased that we continue to provide value to our investors, with sustained growth in revenue and earnings. We continue to drive our growth initiatives forward, increasing our outlook for both domestic and international revenue as well as for adjusted EBITDA and adjusted net earnings, and are confident in our near and long-term growth opportunities."

The company's board of directors authorized a 1.5 cent increase in the quarterly dividend and declared a cash dividend for the second quarter of 12.5 cents per common share.

Sales are growing fast

The company's domestic Jamieson Brands sales increased by 14%, or \$7.3 million, reflecting higher

sales due to increased demand for immunity and general health supplements. The company's international operations generated significant growth, increasing 69%, or \$6.2 million from a year earlier, driven by strong growth in multiple geographies, as demand for immunity products increased significantly, especially in China and Europe.

China continues to lead international growth with increased cross-border e-commerce sales and initial shipments to domestic retail stores as the distribution network is expanded.

Jamieson increased its outlook for fiscal 2020 and forecasts sales of between \$385 and \$395 million compared to \$364 to \$376 million previously, representing annual growth of 11.5% to 14.5%. It now expects adjusted diluted earnings per share in a range of \$1.08 to \$1.15 compared to \$1.02 to \$1.10 previously. The increased outlook for the company reflects strong consumer demand both at home and abroad.

A low-risk growth stock

Jamieson is a pandemic-proof stock that will immunize your portfolio against a market downturn. You can buy and hold this low-risk growth stock for many years without worrying about your money.

This [boring stock is in an unstoppable bull market](#). It has soared by 50% year to date and still has more upside. As the market for vitamins and supplements is growing fast, the future bodes well for Jamieson. Holding this stock is a good way to increase your wealth over the long term. It's best to buy this stock in a TFSA or an RRSP to profit from its strong growth tax-free.

The stock's valuation is currently a little high but looks justified given the leading position Jamieson occupies in the market.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:JWEL (Jamieson Wellness Inc.)

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