



## 2 TSX Stocks That Have Already Smashed Earnings

### Description

Earnings season has just gotten underway, and several **TSX** stocks have already seen some big movement.

Last quarter was crucial to see how businesses handled the second quarter, when most of the economy was shut down. This time around, earnings are just as important — if not more important — than the last quarter. That's because it gives us investors a chance to see how all these businesses have started to recover.

In other cases, for TSX stocks that have seen a tailwind due to the pandemic, it will be crucial to see just how well they have performed. While most of the positive impacts on these companies will be short term, the best companies will use the opportunity to grow market share and carry this advantage, even after we are through the pandemic.

Here are two top TSX stocks that have already smashed earnings.

### TSX tech stock

One of the top stocks on the TSX in the last few years as well as in 2020 has been **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)).

Shopify has been a top growth stock because of how attractive its business model is. One of the fastest-growing and most opportune industries for investors is the e-commerce industry, and Shopify is right at the centre of it.

The company is getting a massive boost from all the merchants that are switching over to e-commerce. At the same time, Shopify's impressive platform, which empowers small- and medium-sized businesses to do more than they ever thought, also drives e-commerce growth.

And as more merchants switch over, the trend only continues to become more popular, as merchants will need to switch over as soon as possible or risk being at a disadvantage to their competitors.

So, with the pandemic acting as a tailwind and forcing the conversion of more businesses to go online, Shopify is reaping the rewards.

This has been extremely evident since the pandemic started but especially in its most recent quarter. Shopify once again nearly doubled its revenue year over year. And what's even more attractive is that its margins continue to grow, leading to rapidly increasing profitability for the tech stock.

It seems there's [nothing that can slow Shopify down](#) at the moment, so if you're looking for a high-growth stock, Shopify is one of the best opportunities in years.

## Media and entertainment stock

Another TSX stock that smashed its earnings expectations in the most recent quarter was **Corus Entertainment** ([TSX:CJR.B](#)).

Corus is in quite a different position to Shopify, though. The company was negatively affected by the pandemic and has been working to mitigate the impacts on its business.

In its quarter ended May 31 (during all the lockdowns), the company lost about a quarter of its revenue compared to the same quarter the year before. However, its impressive economics still allowed Corus to earn a tonne of free cash flow. Nevertheless, investors sold it off, and since then, Corus has been one of the top value stocks on the TSX.

In its most recent earnings report for its fourth quarter of fiscal 2020, which ended Aug 31, [Corus surprised a lot of investors](#). It reported more than double the free cash flow analysts had expected and has clearly weathered the pandemic well.

Its massive 6.75% dividend is extremely safe. However, most importantly, the stock trades at less than 2.6 times its trailing 12-month free cash flow.

While Corus's business hasn't been immune from the pandemic, it's handled it extremely well. So, with the stock offering one of the biggest discounts on the TSX, Corus is a no-brainer buy today.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:CJR.B (Corus Entertainment Inc.)
3. TSX:SHOP (Shopify Inc.)

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1. Business Insider
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