



## Top 3 TSX Retail Stocks to Watch

### Description

Retail isn't dead quite yet even during a [global pandemic](#). Rather, retail chains are adapting to the times to thrive in an internet commerce economy. On the **Toronto Stock Exchange**, you can buy stock in succeeding retail giants.

Here are three top TSX retail stocks to look into before the year ends.

### Canadian Tire: Strong e-commerce growth

**Canadian Tire** ([TSX:CTC-A](#)) fell to \$67.15 during the March market sell-off from a 52-week high of \$166.80. At the time of writing, investors are trading the stock for \$159.64 per share. The annual dividend yield is the highest of these three stocks at 2.92%.

Canadian Tire retails general merchandise, apparel, footwear, sporting goods, and petroleum. The retail chain also operates a mixed-use REIT for its retail locations. Moreover, Canadian Tire provides financial services, including credit cards, in-store financing, insurance, savings accounts, and guaranteed investment certificates to support its customers.

Canadian Tire announced earnings for the third quarter of 2020 on November 5. The firm is crushing e-commerce. Its online sales have reached \$1 billion for a 211% increase from 2019.

President and CEO of Canadian Tire Greg Hicks made the following congratulatory comments regarding the firm's fantastic third-quarter performance:

"I am extremely proud of our third quarter performance – a true testament to the relevancy of our brand and unique multi-category assortment which continues to resonate with our customers both in-store and across our digital platforms. Our impressive retail capabilities and agility have contributed to our market share growth across the categories in which we compete."

If you want to buy a top retail stock on the TSX, Canadian Tire is one of your best options.

## Low sales growth

**Dollarama** ([TSX:DOL](#)) fell to \$34.70 during the March market sell-off from a 52-week high of \$53.96. At the time of writing, investors are trading the stock for \$49.78 per share. With a 0.35% annual dividend yield, you won't earn much income from this stock.

Dollarama sells affordable general merchandise, consumables, and seasonal items online and through traditional brick-and-mortar retail. This stock will report earnings on December 9 before the market opens. When the retail stock reported second-quarter financial results in September, the firm announced a modest 7.1% increase in sales growth.

Dollarama CEO Neil Rossy had this to say about the company's performance:

"All of our stores were open to serve customers entering the third quarter and we continue to closely monitor consumer shopping patterns to ensure our store offering remains relevant to Canadian families in the evolving socio-economic environment shaped by the pandemic."

Hopefully, when the firm releases third-quarter earnings, shareholders will see larger growth in sales.

## A top TSX retail stock to watch

**Metro** ([TSX:MRU](#)) fell to \$49.03 during the March market sell-off from a 52-week high of \$66.25. At the time of writing, investors are trading the stock for \$60.35 per share. The annual [dividend yield](#) isn't high, but still a respectable 1.46%.

Metro manufactures, distributes, and retails food and pharmaceuticals. On November 18, this retail stock reported fiscal fourth-quarter of 2020 earnings. Sales increased by 7.4% and net earnings increased by 11.4%.

Metro CEO Eric R. La Flèche announced plans to increase capacity to fulfil online grocery orders:

"We are pleased to announce the opening of a dedicated store for online grocery to serve Montreal next summer. This opening represents the next phase of our omnichannel strategy, efficiently adding capacity in a large urban area by leveraging our in-store pick model. We will also increase the number of Metro stores offering the click & collect service from the 40 planned to more than 100 by the end of Fiscal 2021."

This is definitely one retail stock to watch heading into the new year.

## CATEGORY

1. Coronavirus
2. Dividend Stocks

3. Investing
4. Stocks for Beginners

## **TICKERS GLOBAL**

1. TSX:CTC.A (Canadian Tire Corporation, Limited)
2. TSX:DOL (Dollarama Inc.)
3. TSX:MRU (Metro Inc.)

## **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
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## **Date**

2025/07/21

## **Date Created**

2020/11/19

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