



## 2 TSX Stocks I'd Sell Into Weakness

### Description

If stock market valuations seem [frothy](#) to you, with a [Santa Claus Rally](#) potentially on tap for next week, it makes a tonne of sense to consider taking at least a bit of profit off the table in some of your biggest winners that have already started to roll over.

This piece will have a closer look at two TSX stocks that I'd be more inclined to sell into their recent bout of weakness. While I'm a fan of dip-buying in this kind of market now that a COVID vaccine is ready to roll out, the following names, I believe, look too frothy, and a post-pandemic boom may not be as much of a boon for either name's stock price.

Consider **Jamieson Wellness** ([TSX:JWEL](#)) and **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)), two frothy TSX stocks that I think have more room to fall in the new year.

### Jamieson Wellness

Jamieson has been a pretty big winner amid this pandemic-plagued year. With COVID spreading rapidly across the world, it's clear that people not only feel the need to follow public health guidelines like physical distancing and mask-wearing, but many wish to ensure their immune system is ready to go and that they're not deficient in any essential vitamins or nutrients in case they do get infected.

Canadians have been reaching for those green-capped vitamins, minerals, and supplements at the grocery aisle amid the pandemic. Only time will tell if the demand for such products will remain robust in a post-pandemic environment. Regardless, I find Jamieson's valuation (shares trade at 36.2 times trailing earnings) to be a tough pill to swallow going into 2021 — a year that could see a further rotation out of the pandemic-resilient names.

The stock is down over 19% from its high. I think it could be headed much deeper into bear market territory, as the appetite for recovery plays improves at the expense of pandemic-resilient names like Jamieson.

## Brookfield Renewables

I've been pounding the table of Brookfield Renewables shares just over a year ago. After soaring over 114% from its March bottom, though, if you missed the name, it's better just to let it go rather than find a reason to justify paying up for a name within an industry that I think is at risk of correcting violently.

Green energy stocks have been all the rage this year. Valuations have swelled to unfathomable heights in electric vehicle (EV) makers and fuel cell producers like **Ballard Power Systems**. Undoubtedly, I believe the euphoria has, in part, spread to the renewable power producers, including the likes of Brookfield Renewables.

Make no mistake. Brookfield is a company worth paying a premium for. The stock is by no means in a bubble like the EV stocks. An argument could be made that BEP.UN is actually cheap at three times sales. Still, with the name in correction territory, I'd look to take profits, as the name could be on the receiving end of further weakness if the EV bubble bursts in 2021, bringing down other green plays with it.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:JWEL (Jamieson Wellness Inc.)

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