



## 3 Hot TSX Value Stocks That Could Explode Higher in 2021

### Description

There are a lot of great value stocks on the TSX that are overdue for an [explosive move higher](#). Just because the stock market is at a fresh all-time high doesn't mean we're headed for a pullback that'll drag everything down. In this piece, we'll look at three value stocks that I bet are in a spot to outperform going into year's end, as the pandemic dies down.

### TSX value stock #1: Aritzia

**Aritzia** ([TSX:ATZ](#)) is a women's clothing retailer with an enviable omnichannel presence and a brand that continues to garner influence. The Vancouver-based company is a mall staple, and although its e-commerce presence is strong, sales have likely been suppressed by the pandemic, not just because fewer people are going into physical locations to discover must-have articles of clothing, but because shut-in Canadians really don't have anybody to show off their new outfits to.

Once the pandemic ends and people head back to work and school again, without intermittent lockdowns, I think the stage could be set for Aritzia's sales numbers to really take off. Aritzia is doing well now in the face of new restrictions. But think of how it'll fare once people return to its physical stores that really draw upon the experiential factor.

I think Aritzia stock is just getting started and think the stock is still way too cheap at a mere four times sales.

### TSX value stock #2: Canada Goose

Sticking with the fashion theme, **Canada Goose** ([TSX:GOOS](#))([NYSE:GOOS](#)) could be in for a massive upswing if we are, in fact, in for [the Roaring 2020s](#). Like Aritzia, Canada Goose has a powerful clothing brand with an omnichannel retail channel that's close to perfection. During the coronavirus recession, \$1,000 parkas were a tough sell. But with pent-up savings that could fuel massive sales growth next autumn, I think it'd be a mistake to sleep on the stock, as it continues to climb towards its highs not seen since late 2018.

After Canada Goose stock fell off a cliff, I'd urged investors to get greedy before it had a chance to take flight again. Shares are now up 150% off their March 2020 lows, and they're not about to slow down, with the discretionary spending boom on the horizon.

Canada Goose is a cyclical play, and right now seems to be the perfect time to be a buyer. The stock has a Street-high price target of around \$81, implying over 50% upside from today's levels.

## TSX value stock #3: Spin Master

To most, **Spin Master** ([TSX:TOY](#)) is just a Canadian toymaker. After the company clocked in an unprecedented 400% in digital gaming sales growth; however, it becomes more apparent that Spin is more of a tech company that happens to make toys. With the **Roblox** IPO garnering a tonne of attention, as one of the few metaverse gaming plays, I think people should have a second look at Spin, which sports a valuation that's multitudes lower.

Is Spin worthy of a Roblox multiple? Not anytime soon. But if the firm can continue leveraging its portfolio of brands in the digital realm, count me as unsurprised if Spin starts commanding more of a blended multiple. The company has innovation in its veins, and I think it's a lower-cost way to play the metaverse. Spin's Toca Life World app has been a major hit, and I think it could be one of the first of many big splashes the firm will make in digital.

The stock trades at 1.9 times sales, which is far too low for the growth you're getting from the name. As we move towards year's end, I think the stock could explode higher as the tides finally turn in its favour.

## Foolish takeaway

The three TSX value stocks in this piece have ample room to run if COVID-19 abates in late 2021, marking the start of what could be the Roaring 2020s. If I had to pick one name, I'd have to go with Spin Master, as it's the cheapest and most misunderstood name on the list.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:GOOS (Canada Goose)
2. TSX:ATZ (Aritzia Inc.)
3. TSX:GOOS (Canada Goose)

4. TSX:TOY (Spin Master)

## **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

## **Category**

1. Investing
2. Stocks for Beginners

## **Date**

2025/07/05

## **Date Created**

2021/04/09

## **Author**

joefrenette

default watermark

default watermark