



2 Top TSX Retail Stocks to Buy in October 2021

Description

As the recent meme stock mania cools down, so too has the momentum around various retail stocks. However, there happen to be a couple Canadian retail stocks that have held up quite well throughout the pandemic and held steady during this period of heightened volatility in this space.

Indeed, investors looking for retail stocks providing stability and excellent return potential ought to consider these top Canadian retail stocks. These are among my top picks right now, and for good reason.

Let's dive in.

Top Canadian retail stocks: Aritzia

One of the Canadian retail stocks that has been rallying quite strongly over the past year is **Aritzia** ([TSX:ATZ](#)). Indeed, this brick-and-mortar focused retail stock has done a number of things well to achieve a higher valuation of late.

This includes a well-timed transition toward an omnichannel business model. The company's e-commerce segment has soared, driven by the pandemic. However, it's worth noting that Aritzia's traditional physical stores have started to perform very well also. In the U.S., the company saw sales soar 243%, with total revenues up more than 120% on a year-over-year basis.

These kinds of numbers highlight the strength of Aritzia's brand. As a fashion retailer, Aritzia has remained attuned to what investors want. Accordingly, this company's growth profile remains strong right now.

I think the company has a strong future ahead, if Aritzia can manage to keep the growth coming via its omnichannel model. Indeed, time will tell how strong this recovery will be. However, Aritzia remains well positioned to manage whatever environment it's in moving forward.

Canadian Tire

One of the best retail stocks out there for long-term investors continues to be **Canadian Tire** ([TSX:CTC.A](#)). Indeed, this retailer has shown its value in recent years, continuing on an impressive growth trajectory over time.

As a Canada-focused retailer, this is unusual. Indeed, many Canada-based companies find their growth internationally. After all, the Canadian market is relatively small in nature relative to the big market just to the south.

However, Canadian Tire's core brand is among the strongest of its peers domestically. Additionally, the company has made some impressive strategic moves of late. From switching more of its product assortment to private label products, or taking on an e-commerce-focused strategy before its peers, Canadian Tire has been a leader from a growth perspective.

On the dividend front, Canadian Tire hasn't been a slouch either. This is a company that has continued to raise its dividend aggressively. Currently yielding only 2.7%, Canadian Tire's dividend yield has grown aggressively of late as the company looks to return value to shareholders.

I like that.

Indeed, both stocks are great options for Canadian investors looking for top-notch retail stocks right now.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ATZ (Aritzia Inc.)
2. TSX:CTC.A (Canadian Tire Corporation, Limited)

PARTNER-FEEDS

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

PP NOTIFY USER

1. chrismacdonald

2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/07/01

Date Created

2021/10/01

Author

chrismacdonald

default watermark

default watermark