What to Expect Next Week in the TSX

Description

Hi, Fools! Happy Sunday. If you’re reading this article, you’re here to learn what you can expect from the **TSX** in the following week. While there are certainly going to be a number of surprises, there are a few things to keep on your radar in the week ahead. So, let’s take a look at a few things Motley Fool investors might want to pay attention to this first full week of October.

Employment numbers

A labour shortage continues to wreak havoc on much of the markets. Statistics Canada reported that August numbers saw an improvement of just 0.5% in employment, with a drop of 0.4% in the unemployment rate. The Canadian market added over 90,000 new jobs and over 68,000 full-time positions. So, Canadians will find out Friday morning whether there was a larger improvement between August and September.

There are still hundreds of thousands of jobs to be filled in Canada, with the unemployment rate still sitting at 7.1%. That’s higher than it was before the COVID-19 pandemic. Prime Minister Justin Trudeau stated before the election he would be extending the Canada Recovery Hiring Program to March 2022. This was an added $3.2 billion he would give to provinces and territories, along with hiring 7,500 new doctors, nurses, and nurse practitioners.

These additions haven’t happened yet since the election is still just two weeks behind us. However, there could hopefully be an increase happening soon. But it’s unlikely to be for the month of September.

Earnings

Aritzia (TSX:ATZ) will report on its earnings on Thursday, Oct. 7. Shares of the stock are up 56% year to date on the TSX, though have stalled in the last month. During its last report, Aritzia announced net revenue increased 121.7% year over year to $246.9 million. Also, adjusted EBITDA rose to $40.9 million from a $25.2 million loss the year before.

E-commerce remained a large driving factor, with growth of 19% during the quarter. That's on top of the 125% of growth they saw the same quarter last year. Meanwhile, retail revenue jumped a soaring 501% compared to the same time last year, thanks to less pandemic restrictions. So, hopefully this remains the case for the future. Analysts are confident in the stock's growth, raising the target for the last few months to "sector outperform" on the TSX. The average currently sits at a potential upside of 5% as of writing. The company is a solid stock that is likely to see years of growth, according to analysts. Though right now it's a bit pricey, trading at a P/E ratio of 72 and EV/EBITDA of 32.

IPOs

Filo Mining (TSXV:FIL) commenced trading on the TSX on Friday and is one to watch this week. The $1 billion copper, silver, and gold miner continues to be focused on its 100%-owned deposit in Chile, though it remains one of the **Lundin Mining** group of companies. Shares have tripled in the stock since April 2019, now trading at around $9 per share as of writing. Gold miners continue to do well during this uncertain market, especially those partnering with larger companies. So, Filo could be a strong stock to watch in the week ahead.

Analysts continue to like the stock given the Chile project of its Filo del Sol mine. Some hiked their price targets during the summer to around $12 per share, which would represent a potential upside of 33% as of writing. Many believe the company is set to outperform, tripling these targets based on this recent project. So, as Filo stock comes on the scene, it's one investors need to add to their watchlists.

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