



## Why Aritzia (TSX:ATZ) Stock Climbed 15% on the TSX Today

### Description

**Aritzia** ([TSX:ATZ](#)) started off this next earnings season with a bang, beating analyst [expectations](#) and climbing 15% in early morning trading on Thursday.

### What happened?

Aritzia stock started to climb after reporting net revenue increases of 74.9% year over year to \$350.1 million, with adjusted EBITDA increasing 20% to \$72.9 million. This was helped by a 48.7% year-over-year increase in the e-commerce sector, and retail revenue was up 95.3% as well.

The numbers were nothing short of outstanding, with the net revenue growth showing that Aritzia stock continues to grow through “all channels.” While e-commerce continued to climb, in-store revenue came back online and could only climb higher with the holiday season coming up. In fact, sales in-store weren’t only comparable but exceeded levels reached pre-pandemic.

### So what?

But what analysts were really impressed with was the growth of Aritzia stock in the United States. Growth in the country soared at an unprecedented 174% year over year. The company has been available in the U.S. since 2007, but Chief Executive Officer Brian Hill stated the company has “never seen growth like this.”

Analysts expected Aritzia stock to earn adjusted profit of \$296.2 million in revenue, beating that number by 18%, an incredible feat. What’s more, it now expects net revenue to continue climbing, as it continues to expand in the United States. For the third quarter, even with supply chain disruptions and labour shortages, it expects net revenue of between \$350 and \$375 million.

### Now what?

Shares of Aritzia stock were up over 15% in early morning trading. Before the report, analysts had an average share price of \$44. There is likely to be increases across the board after such a strong report and future outlook.

Furthermore, shares are up 85% year to date and 142% in the last year as of writing. Now, of course, Aritzia stock is expensive right now. It has a P/E ratio of 83.2 and EV/EBTIDA of 22.1. However, analysts remained confident it's a strong buy, or at least a buy in this market. The future looks bright for Aritzia stock, so it could be a strong option for [long-term investors](#), as it continues to expand into the U.S. market.

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