



3 Stocks Primed for a December Bump

Description

The holiday season is an opportunity to scoop some of the best stocks that experience bumps, usually in December. Three TSX stocks are the [top prospects](#) if you want to take advantage and realize [superior gains](#). **Maple Leaf Foods** ([TSX:MFI](#)), **Spin Master** ([TSX:TOY](#)), and **Aritzia** ([TSX:ATZ](#)) should be in your buy lists.

Essential business

Maple Leaf isn't a typical seasonal stock, because providing food is an all-year-round business. It's a Canadian historic food company with the motto, "Raise the Good in Food." This consumer discretionary stock also appeals to [income investors](#) for its decent 2.48% dividend. Based on analysts' forecasts, the share price of \$29.06 could climb 37.16% to \$39.86.

The \$3.7 billion carbon-neutral company aims to become the most sustainable protein company on the planet. Besides the Maple Leaf, it carries other leading or famous brands, like Schneiders and Greenfield Natural Meat. Despite the material headwinds in the pandemic, Maple Leaf fared well, as food is an essential service.

In Q3 2021, total sales increased 12.43% versus Q3 2020, although net earnings dropped 32.58% to \$44.5 million. After three quarters in 2021, Maple Leaf's balance sheet remains strong. Management expects to end the year with single-digit sales growth.

Children's top sandbox

Spin Master outperforms the TSX (+21.31%) thus far in 2021 with its 66.18% gain. The \$4.93 billion children's entertainment company distributes its products in more than 100 countries. It boasts a diverse portfolio of innovative toys, entertainment franchises, and digital games. Award-winning PAW Patrol is among the most popular brands globally.

Christmas shopping isn't in full swing yet, and Spin Master is doing well already in 2021. In the nine

months ended September 30, 2021, revenue growth versus the same period in 2020 was 25%. Its net income jumped 56% to US\$135.4 million year over year. The financial results indicate the progress of the company's desire to develop evergreen entertainment franchises.

Management launched Spin Master Ventures, its investment arm, in October 2021. The initial US\$80.8 fund should help accelerate growth in all the company's divisions. Spin's co-founder and board chairman Ronnem Harrary said, "Spin Master Ventures will establish us as the partner of choice for entrepreneurs looking for capital to start and grow a business in the kids' space."

Accelerating momentum

Aritzia investors didn't lose in 2020, despite the fallout from the pandemic. The stock delivered an overall return of 35.4%. In fiscal 2021 (year ended February 28, 2021), it reported 12.5% and 78% drops in revenue and net income versus fiscal 2020.

However, things are turning around for this \$5.7 billion design house and fashion boutique company and its investors. Year to date (six months ended August 29, 2021), net revenue soared 91.6% to \$597 million compared to the same period in fiscal 2021. Net income reached \$57.75 million.

Brian Hill, Aritzia's founder, CEO, and chairman, said the outstanding performance in Q2 fiscal 2022 reflects the accelerating momentum across geographies and channels. He adds that expansion in the U.S. should drive growth. Meanwhile, current investors enjoy a 100.47% year-to-date gain. The share price is \$51.70 if you invest today.

Exciting buys

There are roughly four weeks left before the curtain closes in 2021. Maple Leaf, Spin Master, and Aritzia are exciting and profitable buys this December.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ATZ (Aritzia Inc.)
2. TSX:MFI (Maple Leaf Foods Inc.)
3. TSX:TOY (Spin Master)

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