



## ALERT: VieMed Healthcare Stock Has Defied the Bear Market!

### Description

The COVID-19 pandemic drew attention to the healthcare space in the beginning of this decade. There was a scramble for companies that were well positioned to profit, beyond the obvious candidates who won out in the vaccine race like **Pfizer** and **Moderna**. **VieMed Healthcare** ([TSX:VMD](#))([NASDAQ:VMD](#)) is a Louisiana-based company that provides in-home durable medical equipment to post-acute respiratory healthcare services.

Today, I want to discuss how this stock has performed since the pandemic has died down in 2022. Is it still worth owning in this shifting climate?

## This healthcare stock has been on a wild ride since 2020

VieMed stock rose to an all-time high in the summer of 2020. However, the stock is down 22% in the year-over-year period as of close on June 17, 2022. Its shares are up marginally in the year-to-date period.

Investors should be eager to get in on the home healthcare market. Indeed, VieMed found itself perfectly positioned during the pandemic, as it provided care to those afflicted with respiratory illnesses. It sent ventilators to healthcare facilities in the early stages of the crisis.

Grand View Research recently projected that the global home healthcare market was valued at \$320 billion in 2021. It expects this market to post CAGR of 7.9% from 2022 through to 2030. This market is experiencing accelerated growth on the back of aging demographics in the developed world.

## Is VieMed still worth owning after its earnings release?

The company released its first-quarter 2022 results on May 3. It reported net revenues for its core business of \$30.2 million — up 18% from the previous year. Meanwhile, its net income rose to \$2.5 million compared to \$1.5 million in the first quarter of 2021. VieMed stated that its post-pandemic business had started to pick up in a big way. This is what powered the jump in revenues and profits.

Management reported that its COVID-19 response-related business waned. This stands to reason considering the pandemic is largely in the rear-view mirror at the time of this writing. Fortunately, the company has managed to secure further sales and support revenues. Its long-term prospects remain promising in the exciting healthcare space.

Adjusted EBITDA was reported at \$7.3 million in the first quarter of 2022 — up 33% from the prior year. VieMed also provided a snapshot of its outlook for the rest of fiscal 2022. The company projects that it will generate net revenues attributable to its core business of roughly \$32.1 million to \$32.8 million in the second quarter.

## Should you buy this healthcare stock today?

Shares of this healthcare stock currently possess a [price-to-earnings ratio of 24](#). That puts VieMed in favourable value territory compared to its industry peers. Meanwhile, it is still projected to deliver strong earnings growth for the rest of the fiscal year. It also boasts a very strong balance sheet. Best of all, VieMed has remained resilient in the face of a highly volatile market. Now is a great time to snatch up this healthcare stock.

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**Date**

2025/08/24

**Date Created**

2022/06/20

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