



1 Growth Stock up 40% in 2022 and Climbing!

Description

One would think that pretty much every stock on the [TSX today is down](#). Practically everything is. The TSX itself is down 10% year to date, even after having a 4% comeback in the last two weeks. Yet there's one growth stock that seems to buck this falling trend.

Uni-Select

Uni-Select ([TSX:UNS](#)) continues to hit 52-week highs again and again this year. If you were to look at the company's share price, you'd think there wasn't a market downturn at all! The growth stock has shares up 38.54% year to date, as of writing.

Of course, Uni-Select is a growth stock in a market filled with turmoil. So, shares of it certainly don't come cheap. The company currently trades at a whopping 147.67 times earnings on the TSX today. However, it *does* trade at a valuable 2.37 times book value.

And here's the kicker: analysts continue to tell investors that this growth stock remains a buy.

Experts weigh in

Analysts recently weighed in on the growth stock this week after the company announced another acquisition. The auto refinishing and coating supplier picked up Maslack Supply and all its real estate properties. This would expand its presence in Ontario and create \$52 million in revenue by the end of January 2022.

The purchase moved several analysts to increase their targets for Uni-Select, even after such substantial growth. The growth stock continues to be at a "buy" rating by most analysts, with a price target of about \$37 as of writing. The purchase, albeit likely a small one, still adds more to the growth stock and its portfolio, giving it the ability to deploy the cash it has on hand.

The deal also had economists excited about potential future acquisitions, as this industry remains

fragmented across North America and the United Kingdom. Future growth will therefore rely on organic initiatives but also on these mergers and acquisitions.

More growth to go?

There's a problem.

The growth stock is excellent, but analysts believe the company's potential is already reached with its current share price of about \$36.50 on the TSX today. Therefore, not only is the company not likely to move up much further, but a potential recession could send it crashing.

Finding a great growth stock is quite difficult these days, but when it's already reaching its target price, that's when you should start to worry. In the case of Uni-Select, I would perhaps [wait until there's a drop](#) in share price before buying the stock in bulk.

That being said, once that drop does happen (and one drop or another will), it could be on the way to massive growth in the years to come. Electric vehicles entering the market means this fragmented industry has a real chance at exploding to cover new fleets of vehicles — vehicles that governments, including the Canadian government, continue to support through credit programs.

So, while it's true Uni-Select may slow in growth in the near future, it certainly won't stop. Therefore, this could be a growth stock that keeps on climbing for decades to come.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:UNS (Uni-Select)

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. alegatewolf
2. kduncombe

Category

1. Investing

Date

2025/07/19

Date Created

2022/07/27

Author

alegatewolfe

default watermark

default watermark