



These Were the Worst-Performing Stocks on the TSX Last Week

Description

The past week was an up and down affair on both the Canadian and U.S. markets. On Wednesday, the **Dow Jones** lost 800 points as the 10-year U.S. Treasury yield fell below the 2-year yield for the first time since 2007. The markets recovered nicely after that but were still down on the week.

The TSX is now up 12.76% year to date through August 16, which is 44 basis points higher than the S&P 500.

The big news in Canada this week is the release of June's manufacturing and retail sales and July's **Consumer Price Index**.

In the meantime, here are three of the worst-performing stocks on the TSX during the week of August 12-16.

Lightspeed POS

Lightspeed POS Inc. ([TSX:LSPD](#)) lost 18.6% on the week.

Despite announcing significant revenue growth a week earlier in its Q1 2019 quarterly report, Lightspeed stock lost significant ground last week due to some profit-taking.

Perhaps of even more significance is the news that several of Lightspeed's insiders, including founder and CEO, Dax Dasilva, will be selling 5.3 million shares in a secondary offering. In addition, the company will sell 1.16 million shares to the public. It intends to use the net proceeds for general corporate purposes.

Despite the 19% correction this past week, Lightspeed stock is still up 147% since its IPO in March, making it one of the best tech IPOs in TSX history.

I'd continue to expect good things for Lightspeed stock in the future.

Canada Goose

Canada Goose Holdings Inc. ([TSX:GOOS](#))([NYSE:GOOS](#)) lost 13.4% on the week.

The company reported strong revenue growth on August 14. However, because it sold a lot of lower-margin lightweight spring product, gross margins dropped dramatically in the quarter.

Analysts were expecting gross margins of 61.6; Canada Goose delivered gross margins of 57.5%, 410 basis points lower than the consensus and 640 basis points lower than in the first quarter a year earlier.

To make matters worse, its net loss increased from \$18.7 million in Q1 2018 to \$29.4 million in Q1 2019.

A big positive: Canada Goose hired Woody Blackford as its Executive Vice President of Design and Manufacturing. Blackford has more than 25 years in the apparel industry and will help take the brand to even higher levels.

Canada Goose stock needed a bit of good news. It's down 25% over the past three months as investors doubt its ability to grow beyond cult status.

Green Organic Dutchman

Green Organic Dutchman Holdings Ltd. (TSX:TGOD) lost 8.4% on the week.

A lot of good news out of TGOD last week so it's hard to know why its stock lost so much ground during the week. Cannabis stocks as a whole performed poorly including **Canopy Growth**.

On the plus side, it reported 20% sequential growth during the second quarter, most of the growth coming from its European operations. It also announced that its Hamilton cultivation facility is almost completed.

In addition, it announced that it made its first shipment to the Ontario Cannabis Store, the government-run online cannabis store. It is the company's first foray into the Canadian recreational cannabis market.

The company's premium organic cannabis should do well in the Canadian market. Last week's dip is an excellent opportunity to buy on the dip.

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