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Too Much WMT Talk. Not Enough URBN Chatter.

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Lots of talk about Wal-Mart (WMT) today in the media yet barely a word is being spoken of Urban Outfitters (URBN). The company had a very strong quarter which cannot be overlooked given the current state of the economy. If you can grow in this environment image what will happen if things turn around? Teens, tweens and college aged students speak with their wallets. There are speaking volumes with URBN.

Traders tried to push the stock down at the open but since the conference call ended (see Tim Melvin's coverage) the stock went on a tear. With nearly 28% of the stock short, good news like today has to be met with a bear attack. Since that tactic failed short covering kicked in. Expect analysts to support this stock off of today's results. I believe the 52 week high will soon be eclipsed.

I will stick along for the ride with URBN but will ignore the WMT talk because that company has one possible headwind in the future. That is an Obama election. With a WMT friendly Hillary Clinton likely out of the way, WMT will become a target - directly and indirectly - if the Dems grab the White House on top of control in Congress.

Position: Long stock - URBN