



## The 10 Best Stocks in Canada

### Description

Canada has developed its share of great companies over the years. Names like **BlackBerry**, **Tim Hortons**, and my beloved Toronto Blue Jays, owned by **Rogers**, are just some of the country's most well-known brands. But when it comes to producing investment returns, the top performers are companies you've very likely never even considered.

In a country where banking giants typically [dominate the rankings](#) in terms of pure profits, only one of the top stocks over the past decade could be called a household name, as you'll see below.

### Looking back

Backward-looking lists of top gainers have their limitations, to be sure, but you can learn a lot by looking at history — especially in studying the patterns and reasons certain companies outperformed. Here at the Fool, we've repeatedly [looked at](#) and [studied](#) the U.S. market's 10 best-performing stocks.

Today, I'd like to focus on the best Canada has had to offer over the past decade, in order to be better prepared to find the winners of the *next* decade. Without further ado, the best Canadian stocks of the past decade:

Company (Ticker)	Dividend-Adjusted 10-Year Return	Current Market Cap	Industry
<b>Osisko Mining</b> ( <a href="#">TSX: OSK</a> )	10,600%	\$1.8 billion	Mining/Materials
<b>Bankers Petroleum</b> (TSX: BNK)	10,570%	\$715 million	Oil & Gas Exploration & Production
<b>Paladin Energy</b> (TSX: PDN)	9,050%	\$763 million	Mining/Materials
<b>Pacific Rubiales Energy</b> (TSX: PRE)	8,638%	\$6.9 billion	Oil & Gas Exploration & Production
<b>MTY Food Group</b> ( <a href="#">TSX: MTY</a> )	8,322%	\$431 million	Restaurants
<b>Brookfield Canada Office Properties</b> (TSX: BOX.UN)	8,016%	\$2.7 billion	Real Estate Investment Trust

<b>Computer Modelling Group</b> ( <a href="#">TSX: CMG</a> )	7,563%	\$823 million	Software
<b>Rainy River Resources</b> (TSX: RR)	5,980%	\$225 million	Mining/Materials
<b>Catamaran</b> (TSX: CCT)	5,295%	\$10.5 billion	Health Care
<b>Imperial Metals</b> ( <a href="#">TSX: III</a> )	5,012%	\$808 million	Mining/Materials

*Data from S&P Capital IQ. Market cap in U.S. dollars.*

While finding a great stock like those on this list might seem like a daunting task, those massive returns show that it's well worth the effort. Consider: If you were lucky enough to plunk \$500 into Catamaran 10 years ago, today that investment would have grown by \$25,000. For some perspective, that same \$500 investment would be worth just under \$1,000 if invested in the **S&P/TSX Composite** (up 88% over the same time frame).

Let's dig a little deeper into three of this past decade's best stocks.

## #1

The best performer of the bunch is Osisko Mining; dig into this company and you'll find a [truly improbable success story](#) [link opens a SlideShare presentation]. As early as 2007, all the company could do is *infer* that gold existed in the area it planned on mining — it was not yet known if the gold would be economically viable, meaning it couldn't book the reserves.

Even after finally being able to classify the gold as reserves, Osisko didn't start producing it until 2011. The biggest lesson to pull from here is that you have to see what few others see, and in this case you needed to see a golden future ... before any gold was actually sold.

## #2

Bankers Petroleum presents another interesting story. The oil and gas production company isn't focused on the Canadian oil sands, as you might imagine; it's focused on producing oil thousands of miles away ... in Albania.

In fact, it's Albania's largest producer and foreign investor. Nearly a decade ago, Bankers Petroleum began to revitalize legacy vertical oil wells in the country and, as technology advanced, it began to drill newer horizontal wells. Since 2006, Bankers Petroleum has grown its production by a compound annual rate of 36%. The takeaway is to look for a company that has found its niche and is investing where no one else would think to invest.

## #5

For more than 25 years, MTY Group has been a leading franchisor of a variety of quick-service restaurants. Growth has been driven by MTY Group's ability to respond to consumers' changing tastes by either acquiring or building a restaurant to fill that need.

Over the years it has added two dozen brands in its portfolio while building its store count to more than 2,200 units. The takeaway here, then, is clear: Look for companies that can quickly react and respond to consumer trends. They can feed significant profits into your portfolio.

## Add it up

Where to from here? Well, while it's possible that the next decade's great stocks could be from the list above, it will be much harder for these companies to repeat that past success.

Their sheer size now will make it hard for them to replicate the run over the next decade. But the best stocks of the next 10 years will have similar characteristics:

1. They'll be small and overlooked.
2. They'll be disrupting their industries.
3. They'll be focused on doing one thing exceptionally well.

Finally, a word of caution: Your portfolio shouldn't be completely built around stocks holding these characteristics. However, with a well-diversified portfolio, you can afford the risks that come with investing in at least one smaller company before it becomes a thing of legend like those on today's list.

### **The next great stock?**

One commonality from the best stocks of the past decade – many were focused on energy or mining. The next decade's big winner could be a combination of the two. Canada has been stimulating the global shift to alternative energy, but the big money *isn't* in natural gas. Instead, your portfolio could be best served by uranium — the key ingredient for nuclear power. And with the global nuclear market ramping up in places like China, it could be a big winner ...

The Motley Fool has prepared a [Special FREE Report](#) that will clue you into the two best uranium companies in Canada. It's called "Fuel Your Portfolio With This Energetic Commodity," and you can receive a copy at no charge — just by [clicking here](#).

[Follow us on Twitter](#) and [Facebook](#) for the latest in Foolish investing.

*The original version of this post was created by Fool.com contributor Matt DiLallo. Matt DiLallo owns shares in Catamaran Corp. The Motley Fool doesn't own shares in any of the companies mentioned.*

### **CATEGORY**

1. Investing

### **TICKERS GLOBAL**

1. TSX:MTY (MTY Food Group)
2. TSX:OSK (Osisko Mining)

### **Category**

1. Investing

### **Date**

2025/07/19

### **Date Created**

2013/05/21

### **Author**

motley-fool-staff

default watermark