



3 Top Stocks in British Columbia

Description

Everyone likes to support a hometown hero, and Canada's provinces boast many success stories. Today, we take a look at our final province and examine the plethora of possibilities in beautiful British Columbia.

Telecommunications

Our first company, **Telus** ([TSX: T](#))([NYSE: TU](#)), is the highest-grossing company in the province, and has gone from a government-created holding company in 1990 to one of the top telecoms in the country. Earlier this year, Telus finally unseated **BCE** ([TSX: BCE](#))([NYSE: BCE](#)) as the number two wireless provider in Canada. In its TV division, it has been aggressively courting customers in BC by offering free wide-screen TVs with a three-year contract.

[Telus abandoned its pursuit of Mobilicity last month](#), after three attempts that were blocked by the federal government. Despite this, Telus is still ready to devote \$3.8 billion in infrastructure upgrades announced for Ontario, Manitoba, and Alberta.

In the previous quarter, Telus posted revenues of \$2.89 billion, up from \$2.75 billion in the previous year's quarter. Net earnings in the quarter also saw a modest increase to \$377 million, or \$0.61 per share, from \$362 million, or \$0.56 per share. Its stock has a 52-week range of \$29.52-\$41.92, with a closing price Monday of \$41.42. This price is just above the average price target of \$41.30, and optimistic analysts have their price target as high as \$45.00. Telus is also offering an annual dividend of \$1.52 with a 3.67% yield.

Heavy-duty equipment

Next up on the list is Vancouver-based Caterpillar equipment dealer **Finning International** ([TSX: FTT](#)). The company sells primarily to the construction, mining, and forestry sectors among others, and is the largest Caterpillar dealer in the world. The most recent quarterly report was a little mixed, with revenue rising to \$1.67 billion from \$1.56 billion, while net income fell to \$68 million, or \$0.39 per share, from \$73 million, last year, or \$0.43 per share.

Some good news for the company's books is the amount of backlogged orders. At the end of Q1, Finning was sitting on \$1.3 billion of backlogged orders, up from \$0.9 billion in December; \$260 million of the backlog increase comes from a single oil sands customer.

Included in the quarterly report was an increase to the annual dividend of \$0.10 bringing it to \$0.71 with a yield of 2.4%. The stock has a 52-week range of \$20.37-\$31.77, with a closing price Monday of \$29.01. Analysts have rated the stock "outperform" and have an average price target of \$33.70.

Manufacturing

An article about BC stocks wouldn't be complete if I didn't mention natural gas engine manufacturer **Westport Innovations** (TSX: WPT)([NASDAQ: WPRT](#)). This company is the epitome of high-risk, high-reward: It has unlimited potential with the growth of natural gas reserves in North America, but has also seen a 50% decline in its stock this year. The stock took a beating thanks to a pair of quarterly net losses stemming from the company's research and development department. Now with those projects completed and on the assembly line, Westport is looking to recoup its losses. It is achieving this through a variety of joint ventures and original equipment manufacturer partnerships to get its natural gas engine platforms into more types of vehicles right from the factory.

The stock is trading in a 52-week range of \$13.67-\$36.57, with a closing price Monday of \$16.14. When it comes to analysts' projections Westport is one of the most divisive stocks on the TSX, with many experts split on whether or not the stock can recover. Price targets on the stock vary between \$12.00 and \$28.00, with an average price target of \$26.50.

This is a critical year for the company to regain investor confidence and realize the gains of years of R&D. Successful investors getting in on these clearance prices could be in for a great payday, especially if the stock can get back to its three-year high of \$47.69.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:WPRT (Westport Fuel Systems Inc.)
2. NYSE:TU (TELUS)
3. TSX:BCE (BCE Inc.)
4. TSX:FTT (Finning International Inc.)
5. TSX:T (TELUS)

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