Celebrate Canada Day With These 3 Companies That Witnessed Confederation

Description

Happy Canada Day! Today Canada turns 147 years old, and much has changed since the days of Confederation, when Upper Canada (Ontario), Lower Canada (Quebec), New Brunswick, and Nova Scotia become the Dominion of Canada. Since 1867, many great companies have risen and fallen spanning a myriad of industries. So let's take a quick look at three Canadian companies that witnessed the birth of our country.

1. Hudson's Bay Company

Founded in 1670, the **Hudson's Bay Company** (TSX: HBC) played in a vital role in the early economy of the country. Almost 350 years later, it has gone from the masters of Rupert's Land to an international department store chain.

The company's most recent flurry of activity came last year when it unloaded its Zellers brand to U.S. retailer **Target** and picked up high-end American retailer Saks for $2.4 billion. The addition of Saks has had a drastic effect on the company's revenue, totaling $1.86 billion in the previous quarter, up from $884 million during the same period last year. Net earnings also managed a major upgrade, clocking in at $176 million, or $0.97 per share, up from a loss of $82 million, or $0.68 per share, in the previous year's quarter.

Customers are now waiting for the proposed opening of up to 25 of Saks's discount division outlets in Canada. Investors have been keeping a close eye in the stock, which closed Monday at $16.91 — dangerously close to its 52-week low of $15.53, which was reached in February. While analysts have placed an average rating of outperform on the stock, the average price target of $19.40 is still below the $21.20 it was trading at back in November.

2. Molson Coors

Long before the merger that brought us **Molson Coors** (TSX: TPX.B)(NYSE: TAP), there was just Molson, which began operating in 1786. The Montreal-based brewer continues its long legacy of drowning out hockey losses and keeping Canadians cool during the two months of nice weather.

The company has been brewing some impressive profits with U.S.$163 million reported in Q1 2014, up from U.S.$28.5 million in Q1 2013. This surge is due in part to better performances in both Canada and Europe. Net sales in Canada totaled $347 million in the quarter and EBITDA totaled $88.3 million. The stock closed Monday at $79.80, not far from its 52-week high of $82.01.

3. Bank of Montreal

Last but not least is **Bank of Montreal** (TSX: BMO)(NYSE: BMO) Canada's first and oldest bank, founded in 1817. All these years later the bank is now merely the fourth-largest in the country. This is a bank that generally fell under most people's radars as it wasn't in the news as much as its competitors — that is, until it broke the "forbidden" 3% mortgage barrier by offering a 2.99% five-year rate.

The stock climbed to a new 52-week high on Monday of $78.86 before closing at $75.58. The stock has been riding high since it released its second quarter results, which saw revenue of $4.1 billion. An interesting revenue tidbit is the fact that 23% of this revenue came from its wealth management division. During the same period, net income rose by 12% to $1.1 billion, or $1.60 per share. These gains led the bank to raise its quarterly dividend to $0.78, which offers a yield of 3.9%.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:TAP (Molson Coors Beverage Company)
3. TSX:BMO (Bank Of Montreal)

Category

1. Investing

Date
2025/08/25
Date Created
2014/07/01
Author
cameronconway