



Top Stocks for June

Description

Matt DiLallo: Brookfield Property Partners LP ([TSX:BPY.UN](#))(NYSE:BPY)

In my opinion, **Brookfield Property Partners LP ([TSX:BPY.UN](#))(NYSE:BPY)** is the best way to invest in real estate. Not only does the company provide investors with broad exposure to multiple classes of real estate, including office, retail, multifamily, hospitality, triple net lease, and self-storage, but its portfolio also spans the globe. That unparalleled diversification provides investors with solid income; the company's current yield is more than 4.5%.

In addition to giving you the ability to sit back and collect that generous payout, Brookfield Property Partners also offers strong upside thanks to its globally diversified portfolio. Through a combination of increased occupancy, rising rents, development projects, and acquisitions the company expects to be able to grow its funds from operations by 8-11% per year, which should drive 5-8% annual growth in its distribution.

Bottom line, if you're looking to add real estate to your portfolio, Brookfield Property Partners is the way to go.

Fool contributor Matt DiLallo owns shares of Brookfield Property Partners.

Kay Ng: Brookfield Renewable Energy Partners LP ([TSX:BEP.UN](#))(NYSE:BEP)

Brookfield Renewable Energy Partners LP ([TSX:BEP.UN](#))(NYSE:BEP) owns and manages global renewable power-generating assets with more than 10,300 megawatts of installed capacity. It has 87% of its generation coming from hydro and 12% coming from wind power.

Brookfield has 65% of its cash flows generated in North America, 20% are from Brazil, 10% are from Colombia, and 5% are from Europe. 91% of Brookfield's cash flows are contracted and stable.

From 2011 to the present, Brookfield has hiked its dividend every year at an average rate of 6.5%. It pays a quarterly distribution of US44.5 cents per share.

At about \$38 per share, it yields 5.6% based on a foreign exchange of US\$1 to CAD\$1.20, and it aims to grow its dividend by 5-9% a year.

Fool contributor Kay Ng owns shares of Brookfield Renewable Energy Partners LP.

Joseph Solitro: Corus Entertainment Inc. ([TSX:CJR.B](#))

Corus Entertainment Inc. ([TSX:CJR.B](#)) is one of Canada's largest media and content companies, and it's my top stock pick for June for two primary reasons.

First, it's wildly undervalued. It trades at just 10.3 times fiscal 2016's estimated earnings per share of \$1.23 and a mere nine times fiscal 2017's estimated earnings per share of \$1.41, both of which are very inexpensive compared with its five-year average price-to-earnings multiple of 13.6 and its industry average multiple of 22.7.

Second, it has a great dividend. It pays a monthly dividend of \$0.095 per share, or \$1.14 per share annually, which gives its stock a yield of about 9%, and this is supported by its strong free cash flow generation. It's also important to note that it has raised its annual dividend payment for 12 consecutive years, and its 4.6% hike in February 2015 has it on pace for fiscal 2016 to mark the 13th consecutive year with an increase.

I think Corus Entertainment is a strong buy, so Foolish investors should take a closer look and consider buying shares today.

Fool contributor Joseph Solitro has no position in Corus.

Andrew Walker: Canadian National Railway Company ([TSX:CNR](#))([NYSE:CNI](#))

Canadian National Railway Company ([TSX:CNR](#))([NYSE:CNI](#)) is battling some economic headwinds right now, but this stock remains a top choice for buy-and-hold investors.

The company reported solid Q1 2016 earnings of \$792 million, up 13% over the same period last year. Free cash flow was \$584 million, up 12% from Q1 2015.

Management runs a tight ship, and CN is widely regarded as the most efficient railway in North America.

The stock rarely goes on sale, so the recent pullback should be considered as an opportunity to buy.

Fool contributor Andrew Walker has no position in Canadian National Railway Company.

Demetris Afxentiou: Dream Office Real Estate Investment Trst ([TSX:D.UN](#))

Dream Office Real Estate Investment Trst ([TSX:D.UN](#)) is one of the largest real estate investment trust companies in the country with over 180 properties and 23 million square feet of leasable area. The company's properties are primarily located in urban areas, with over 20 properties located in downtown Toronto.

Dream pays out a monthly distribution of \$0.125 per share. With a price of \$18.91, the stock has an

impressive yield of 7.93%. Year-to-date, the stock has risen over 9%, but is down over 25% for a full calendar year.

Given the current price and value, the stock is considerably undervalued, meaning that investors could pick up shares of the company at a significant discount now and begin to watch the distributions flow in over time.

Fool contributor Demetris Afxentiou has no position in Dream.

Matt Smith: Brookfield Infrastructure Partners L.P. ([TSX:BIP.UN](#))([NYSE:BIP](#))

The World Economic Forum has identified a massive global infrastructure gap that requires an annual investment of US\$3.7 trillion just for demand to be met. This creates a fertile market for companies specializing in developing and operating infrastructure. **Brookfield Infrastructure Partners L.P. ([TSX:BIP.UN](#))([NYSE:BIP](#))** is one of the best positioned to benefit.

It operates a globally diversified portfolio of ports, toll roads, railways, telecommunications and electricity transmission assets. Many of these assets operate in oligopolistic markets that are characterized by steep barriers to entry, thereby helping to protect it from competition and grow earnings over the long term.

Brookfield has teamed up with a consortium to acquire Australian ports and logistics company **Asciano Ltd.**, and there are signs that this bid may be successful despite the reservations of the Australian competition watchdog, which vetoed its earlier takeover offer.

The successful closing of this acquisition will boost Brookfield's exposure to the fast-growing emerging economies of Asia, helping it to achieve its targeted annual return of 12-15%.

Patient investors will be rewarded with a juicy 5% dividend yield as they wait for earnings to grow and its share price to appreciate.

Fool contributor Matt Smith has no position in Brookfield Infrastructure.

Nelson Smith: AutoCanada Inc. ([TSX:ACQ](#)).

I continue to like stocks that have been beaten up by the market because of oversized exposure to Alberta. AutoCanada fits that bill, especially after falling some 75% off its all-time high set back in 2014.

AutoCanada's growth story of consolidating auto dealerships should continue for years, since there's plenty of supply left. Analysts predict the company will earn \$1.94 per share in 2016, putting it at less than 11 times earnings. And the sector seems to be a popular place to invest for billionaires, with both Warren Buffett and Bill Gates having substantial positions in U.S.-based competitors.

Fool contributor Nelson Smith has no position in AutoCanada.

Jacob Donnelly: BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#))

Looking at the landscape of available stocks, I can't help but feel like **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)), the telecommunications juggernaut, is the top stock of the month. There are two reasons.

The first is because its first-quarter earnings were strong, up a penny to \$0.85 EPS year over year. Part of what drove that was its ability to increase its revenue per user by 3.6% to \$63.02. Further, its wireless division grew revenue by 5.3%.

The other reason is because it announced plans to purchase **Manitoba Telecom Services Inc.** for \$3.9 billion. This is smart because it gives the company expansion in the west and there could be tax synergies.

All in all, this dividend beast is definitely my top stock of the month.

Fool contributor Jacob Donnelly has no position in BCE.

Neha Chamaria: Fortis Inc. ([TSX:FTS](#))

An oft-overlooked company, **Fortis Inc.** ([TSX:FTS](#)) offers an excellent entry point for both value and income investors today.

Fortis's earnings per share hit record highs in 2015, and its net income grew at an average compounded rate of 20% over the past five years. That isn't the kind of growth you get to see every day. Last month, Fortis reported 6% higher adjusted net income for the first quarter.

Fortis's growth is on a solid trajectory as it buys out **ITC Holdings Corp.** for US\$11.3 billion this year. Meanwhile, Fortis aims to grow its annual dividend by 6% through 2020, almost assuring investors of fatter paycheques going forward. If you add up Fortis's dividend yield of 3.7% to its potential earnings and dividend growth, you're getting a steal of a deal at a P/E of only 16 times today.

Fool contributor Neha Chamaria has no position in Fortis.

Ryan Vanzo: Hydro One Ltd. ([TSX:H](#))

Reliable dividend growth awaits **Hydro One Ltd.** ([TSX:H](#)) shareholders.

Today, the utility company has a 3.6% yield. While that doesn't seem like the most attractive option for income investors, there's reason to believe it's not only incredibly safe, but has years of growth ahead.

First, the company's overall business is 99% fully regulated. This provides one of the most stable and predictable cash flow streams in the entire stock market. Growth is also fairly predictable as regulations include rate-based additions and pre-approved price increases.

Second, Hydro One's management team is flush with growth opportunities. In 2015, \$1.5 billion in new assets were put into service with \$607 million coming in the fourth quarter alone. The company plans to spend \$1.6 billion per year over the next five years with a focus on improving existing assets.

With a targeted 70-80% dividend-payout ratio, income investors should be continually pleased for years to come.

Fool contributor Ryan Vanzo has no position in Hydro One.

CATEGORY

1. Investing
2. Top TSX Stocks

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BEP (Brookfield Renewable Partners L.P.)
3. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
4. NYSE:CNI (Canadian National Railway Company)
5. TSX:ACQ (AutoCanada Inc.)
6. TSX:BCE (BCE Inc.)
7. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
8. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
9. TSX:BPY.UN (Brookfield Property Partners)
10. TSX:CJR.B (Corus Entertainment Inc.)
11. TSX:CNR (Canadian National Railway Company)
12. TSX:D.UN (Dream Office Real Estate Investment Trust)
13. TSX:FTS (Fortis Inc.)
14. TSX:H (Hydro One Limited)

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