Top Stocks for October

Description

Andrew Walker: Crescent Point Energy Corp. (TSX:CPG)(NYSE:CPG)

Crescent Point Energy Corp. (TSX:CPG)(NYSE:CPG) remains a volatile bet, but investors with a contrarian investing style might want to start nibbling.

The company managed to grow production this year, despite a cut in capital spending, and continues to add tuck-in acquisitions to boost its portfolio of top-quality properties.

With the recent closing of a $650 million bought deal, Crescent Point plans to raise its development expenditures in the coming months. As a result, output should increase by 5-8% through 2017.

You have to be an oil bull to buy the stock, but if you are in that camp, Crescent Point looks attractive today.

Fool contributor Andrew Walker has no position in Crescent Point Energy Corp.

Nelson Smith: Rocky Mountain Dealerships Inc. (TSX:RME)

Rocky Mountain Dealerships Inc. (TSX:RME) is a long-term play on the Canadian farmer, and it’s trading at a bargain price.

Analysts predict the company will earn $0.84 per share in 2017, putting shares at less than 12 times forward earnings. Shares also trade just over book value and have a low enterprise value-to-EBITDA ratio. In short, it’s cheap on a number of metrics.

It’s also a consolidation story. Rocky Mountain owns a market share of approximately 20% in western Canada with 39 dealerships. There are dozens of potential expansion opportunities from small, locally owned dealerships.

Fool contributor Nelson Smith has no position in Rocky Mountain Dealerships.

Zaw Tun: Telus Corporation (TSX:T)(NYSE:TU)

With low interest rates expected to persist into the foreseeable future, the telcos should be considered by any investor looking to generate steady income. **Telus Corporation** (TSX:T)(NYSE:TU) is my top pick for two reasons.

One, Telus is the cheapest among the Big Three telcos, thank to (in my opinion) overblown concerns of threats from new entrants to its position in western Canada. Moreover, this discount gap is sure to close in the near term, as the market prices in Telus's industry-leading average revenue per unit and churn rates.

Two, Telus also pays a steady (and ever-increasing) 4.25% yield, which is completely manageable given its 52% payout ratio and strong growth prospects in the form of high-speed fibre internet.

Fool contributor Zaw Tun has no position in Telus Corporation.

Kay Ng: Brookfield Property Partners LP (TSX:BPY.UN)(NYSE:BPY)

Brookfield Property Partners LP (TSX:BPY.UN)(NYSE:BPY) owns and operates properties in North America, Europe, Australia, and other markets with a core portfolio in high-quality office and retail assets.

Brookfield Property has about 17% of its portfolio in opportunistic investments targeting higher returns. Overall, the company aims to achieve total returns of 12-15%.

Brookfield Property is a great candidate for conservative, long-term investors as it is a value investor, offers a safe 4.9% yield, and aims to increase its distribution per share by 5-8% per year.

Fool contributor Kay Ng owns shares of Brookfield Property Partners LP.

Ryan Vanzo: Hydro One Ltd. (TSX:H)

Hydro One Ltd. (TSX:H) should be on the radar for nearly every investor. It's exposed to the rapid growth of renewable energy, all while paying a respectable and growing 3.2% dividend.

The company is different than most energy utilities. Not only does it only deal with renewable technologies, but it also has no exposure to electricity-price risk as rate increases are passed on to customers. With 99% of its revenues completely regulated, Hydro One is as safe as it gets.

In 2015 a whopping $1.5 billion in new assets were put into service. The company plans to spend an additional $1.6 billion per year over the next five years with a focus on improving existing assets.

Management targets a payout ratio between 70% and 80% of net income, so growing profits should result in growing dividends for years to come.

Fool contributor Ryan Vanzo has no position in Hydro One Ltd.

Matt DiLallo: Brookfield Renewable Partners LP (TSX:BEP.UN)(NYSE:BEP)

Brookfield Renewable Partners LP (TSX:BEP.UN)(NYSE:BEP) is an excellent stock for investors seeking both growth and income. With a current yield of 5.7%, it certainly catches the attention of income investors. More importantly, the yield is rock solid—supported by the fact that 90% of its revenue is under long-term contracts. Further, the company has a strong investment-grade credit rating and only pays out roughly 70% of its cash flow.

In addition, Brookfield expects to grow its earnings and its distribution by 5-9% per year, driven by organic cash flow growth and the company's pipeline of proprietary wind and hydro development projects. It can enhance that growth rate by continuing to make accretive acquisitions, and with $1.2 billion of liquidity, it has plenty of capital fund transactions.

With a solid foundation of fee-based cash flow and a pipeline full of growth opportunities, Brookfield Renewable Partners is an excellent stock to buy this month and hold for the long term.

Fool contributor Matt DiLallo has no position in Brookfield Renewable Partners.

Jacob Donnelly: Restaurant Brands International Inc. (TSX:QSR)(NYSE:QSR)

Restaurant Brands International Inc. (TSX:QSR)(NYSE:QSR), the powerhouse combination of Burger King and Tim Hortons, is my top stock of the month for a multitude of reasons.

The primary reason, though, is that its growth continues to dominate. The Tim Hortons brand is still relatively unknown around the world, but it is spreading aggressively into the United Kingdom and many parts of Asia. In China, for example, there used to only be 90 Restaurant Brand stores back in 2012; now there are over 450.

This growth is making it possible to grow the dividend from $0.05 per share in 2013 to $0.16 today. If you ask me, that's great growth and makes it my top stock.

Fool contributor Jacob Donnelly does not own shares in Restaurant Brands.

Matt Smith: Fortis Inc. (TSX:FTS)

Electric utility **Fortis Inc.** (TSX:FTS) is not the most exciting stock, but it does have an enviable growth history coupled with some solid defensive characteristics that make it an appealing investment during times of market volatility.

The majority of Fortis's earnings come from regulated sources. Along with steep barriers to entry and the inelastic demand for electricity, this virtually assures its earnings.

The certainty of its cash flows have allowed Fortis to expand its operations through a series of accretive acquisitions—the latest being the purchase of U.S. regulated electric transmission utility **ITC Holdings Corp**. Not only will this deal diversify its portfolio and enhance its U.S. presence, but it will boost Fortis's cash flow and earnings, supporting its targeted 6% annual dividend-growth rate.

This makes Fortis is a compelling stock to own.

Fool contributor Matt Smith has no position in Fortis.

Demetris Afxentiou: BCE Inc. (TSX:BCE)(NYSE:BCE)

My pick for the month is **BCE Inc.** (TSX:BCE)(NYSE:BCE). It's pretty hard to find another company that affects nearly every aspect of our daily lives as much as BCE does. From radio and TV stations to professional sports teams, BCE is a true media behemoth, and that's not even taking into consideration the core subscription business of phone, internet, and TV services.

BCE's infrastructure is so vast that it makes it virtually impossible for a new competitor to emerge in the market. This let's BCE pass on a significantly greater amount of revenue in the form of a dividend, which is the real reason to love this stock.

BCE's current quarterly dividend comes to a respectable $2.72 per year, giving it a very impressive 4.5% yield. Growth-minded investors will also enjoy the 13% increase in stock price that BCE has year-to-date.

Fool contributor Demetris Afxentiou has no position in BCE.

Will Ashworth: Hudson's Bay Co. (TSX:HBC)

Hudson's Bay Co. (TSX:HBC) is Canada's leading department-store retailer with locations in Canada, the U.S., several European countries, as well as other parts of the world.

I like Hudson's Bay Co. because majority owner Richard Baker has proven to be adept at extracting value from its various businesses through a combination of real estate know-how, the hiring of top-notch retail professionals, and a willingness to reinvest in the business.

Down almost 25% in the past year, I see a bit of a move prior to the company announcing Q3 2016 earnings on December 8 after the markets close.

Fool contributor Will Ashworth has no position in Husdon's Bay Co.

Scott Brandt: Open Text Corporation (TSX:OTC)(NASDAQ:OTEX)

Open Text Corporation (TSX:OTC)(NASDAQ:OTEX), is Canada's largest software company and a global leader in Enterprise Information Management. The company provides a suite of products that helps businesses unify their existing platforms and manage their information with added security.

The company has gained significant market share over the last five years by leveraging its ability to create some of the more flexible software products that can integrate with the oldest of IT systems. This has made it one of the leading software providers in both private and public sectors. The company has seen its shares grow by about 28% year to date, and its dividend has increased by 11%.

The company continues to see a bright future in the information management space. So far this year, the company increased its stake by nearly $2 billion in complementary software businesses.

Fool contributor Scott Brandt does not own any shares in Open Text Corporation.

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2. NYSE:BCE (BCE Inc.)
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4. NYSE:QSR (Restaurant Brands International Inc.)
5. NYSE:TU (TELUS)
6. NYSE:VRN (Veren)
7. TSX:BCE (BCE Inc.)
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