Top Stocks for November

Description

Andrew Walker: Toronto-Dominion Bank (TSX:TD)(NYSE:TD)

Toronto-Dominion Bank (TSX:TD)(NYSE:TD) continues to expand its large U.S. exposure.

The company and its U.S. discount brokerage partnership, TD Ameritrade, just signed a deal to purchase Scottrade Financial Services for US$4 billion. TD will pick up the banking operations, and TD Ameritrade will take the brokerage business.

With rough times likely on the horizon in Canada, the U.S. assets make TD an attractive pick among the Canadian banks.

This stock isn't as cheap as it was earlier in the year, but it remains a solid choice for investors with a buy-and-hold strategy.

Fool contributor Andrew Walker has no position in Toronto-Dominion Bank.

Alexander John Tun: Manulife Financial Corp. (TSX:MFC)(NYSE:MFC)

As monetary policy is expected to diverge between the U.S. and Canada, **Manual Life Financial Corp.** (TSX:MFC)(NYSE:MFC) and its U.S. operating segment present an excellent hedge against a weakening loonie and higher U.S. interest rates.

Furthermore, Manulife presents a tenable growth story by way of a flourishing Asian business; in Q2 2016, the company reported a record quarter of annualized premium sales of US$627 million in Asia–34% higher year over year. Because of the growth prospects, U.S. revenue exposure, and price to book value of one versus 1.3 for its Canadian lifeco peers, Manulife (and its 3.8% yield) is my top pick for November.

Fool contributor Alexander John Tun has no position in Manulife Financial Corp.

Jeffrey Ho: Atlantic Power Corp. (TSX:ATP)(NYSE:AT)

Atlantic Power Corp. (TSX:ATP)(NYSE:AT) is a diversified utilities company that continues to be unfairly punished for past misdeeds.

In 2013 the company was facing a heavy, maturing debt load and falling earnings, resulting in a 66% dividend cut; an immediate sell-off was triggered, and the share price plunged. Since then, the company has made all the right moves to restore its balance sheet, including slashing the dividend, divesting low ROI assets, and using its steady, freed-up cash flow to aggressively repay debt and buy back cheap shares.

Contrarian value investors can see significant multiple expansion if they can stomach higher debt levels while allowing the balance sheet to de-lever; the company trades cheaply at less than 40% of PP&E.

Fool contributor Jeff Ho owns shares in Atlantic Power Corp.

Chris MacDonald: Lululemon Athletica Inc. (TSX:LLL)(NASDAQ:LULU)

Lululemon Athletica Inc.'s (TSX:LLL)(NASDAQ:LULU) stock has experienced significant and prolonged volatility of late.

The newly implemented organizational restructuring has led to the development of a new fall line of clothing, which has received generally positive reviews. We anticipate this launch to drive revenues into the fourth quarter of the year and expect outperformance.

Lululemon's strong fundamentals and potential for solid revenue growth make this company a great rebound pick considering the stock has dropped 26% over the past three months.

Fool contributor Chris MacDonald has no position in Lululemon Athletica Inc.

Ryan Vanzo: Suncor Energy Inc. (TSX:SU)(NYSE:SU)

Suncor Energy Inc. (TSX:SU)(NYSE:SU) has put billions towards acquisitions and new projects recently. It's also divested billions' worth of projects. According to recent reports, it's readying for more increasingly massive asset purchases and sales.

Why all the change?

According to Steve Williams, CEO of Suncor, "Oil prices will experience increasing volatility over the coming years." His reasons are simple: underinvestment in production and uncertain demand growth.

If you're invested in energy but remain cautious, consider Suncor Energy. The CEO looks to be positioning the company for a volatile future, making it one of the few operators capable of thriving through a prolonged and bumpy rise to $100 a barrel.

Fool contributor Ryan Vanzo has no position in Suncor Energy Inc.

Kay Ng: Algonquin Power & Utilities Corp. (TSX:AQN)

Algonquin Power & Utilities Corp. (TSX:AQN) is a North American utility that offers a 4.7% yield. It has an installed capacity of about 1,185 megawatts, powered by its wind, solar, hydroelectric, thermal, and natural gas power-generating facilities.

The utility also provides water, electricity, and natural gas utility services to more than 560,000 U.S. customers. These rate-regulated services help generate stable and predictable earnings for the company.

Since 2010 its dividend per share has grown from US$0.06 to US10.59 cents, which equates to an annualized growth of 9.9%. In Canadian dollar terms, it translates to a higher growth rate.

At $11.75 per share, analysts believe there's an upside potential of 10-18% in the next 12 months.

Fool contributor Kay Ng owns shares of Algonquin Power & Utilities Corp.

Joe Frenette: Restaurant Brands International Inc. (TSX:QSR)(NYSE:QSR)

Restaurant Brands International Inc. (TSX:QSR)(NYSE:QSR) is a Warren Buffett and Bill Ackman favourite. It's one of the world's biggest restaurant companies with over 19,000 Burger King and Tim Hortons chains in over 100 different countries.

The stock has had an impressive run this summer, but it has since pulled back by 8% due to investor fears over a slower U.S. appetite for fast food during Q3 2016. Restaurant Brands International actually delivered an impressive beat, and I don't believe the pullback was justified considering the long-term growth potential.

Many investment analysts actually raised the price target following the earnings beat because diminished capital spending and an increase in same-store sales is expected over the next year.

Fool contributor Joe Frenette has no position in Restaurant Brands International.

Demetris Afxentiou: Fortis Inc. (TSX:FTS)(NYSE:FTS)

Few companies continue to impress me as much as **Fortis Inc.** (TSXFTS)(NYSE:FTS), which is my top pick for this month. Fortis is the largest utility in Canada and one of the largest on the continent.

Fortis has completed an impressive run of acquisitions over the years. The company has broken from the boring, no-growth-investment stereotype that is typically linked to utilities. Those acquisitions have helped propel Fortis from having assets of $400 million 30 years ago to the $42 billion behemoth it is now.

Apart from the aggressive growth, the real reason to buy this stock, however, is the buy-and-forget dividend income. Fortis pays out a quarterly dividend in the amount of $0.40 per share, which works out to an impressive yield of 3.66%.

Disclosure: Fool contributor Demetris Afxentiou has no positions in Fortis Inc.

Scott Brandt: Pason Systems Inc. (TSX:PSI)

Any sign of green shoots in oil and gas drilling activity should benefit **Pason Systems Inc.** (TSX:PSI). The company provides data management and optimization systems for drilling rigs, captured through its Electronic Drilling Recorder (EDR). Almost every drilling rig requires some form of this technology to monitor their downhole progress. The company controls about 95% of the Canadian market, 85% of Australia's market, and 54% of the U.S. market.

Its shares are nearing their 52-week low, as negative sentiment in energy services market still outweighs any positive activity in the industry. The energy service sector tends to lag the rest of the market, but once it gains some momentum, look for this company to be a direct beneficiary.

Fool contributor Scott Brandt has no positions in Pason Systems Inc.

Matt Smith: Gran Tierra Energy Inc. (TSX:GTE)(NYSE:GTE)

Colombia-based oil producer **Gran Tierra Energy Inc.** (TSX:GTE)(NYSE:GTE) is well positioned to benefit from a range of powerful tailwinds. Key among them is the increasingly positive outlook for crude, which many pundits believe will finish 2016 at over US$50 per barrel.

Then there is Colombia's improving security situation. The government recently reached a peace deal with the largest belligerent group, the FARC, in the country's long-running civil war. This should see lower operating costs as the volume of attacks on the country's oil infrastructure, particularly pipelines, falls significantly.

Gran Tierra has also exploited the depressed asset prices created by sharply weak oil prices to beef up its operations; it acquired **Petroamerica Oil Corp.** and **PetroLatina Energy Ltd**. These have boosted its oil reserves by 61 million barrels and daily production by 7,000 barrels as well as its acreage in Colombia's key Putumayo, Llanos, and Middle Magdalena oil basins.

As oil rallies, Gran Tierra will unlock considerable value for investors.

Fool contributor Matt Smith has no position in any stocks mentioned.

CATEGORY

1. Investing
2. Top TSX Stocks

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. NYSE:QSR (Restaurant Brands International Inc.)
3. NYSE:SU (Suncor Energy Inc.)
4. NYSE:TD (The Toronto-Dominion Bank)
5. NYSEMKT:GTE (Gran Tierra Energy Inc.)
6. TSX:AQN (Algonquin Power & Utilities Corp.)

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9. TSX:MFC (Manulife Financial Corporation)
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