



Top Stocks for December

Description

Ryan Goldsman: North West Company Inc. ([TSX:NWC](#))

North West Company Inc. ([TSX:NWC](#)) remains the top pick in the get-rich-slowly category. A general store in many remote communities in northern Canada, it will be reporting earnings this coming December.

After seeing the share price of this defensive stock fall from a 2016 high of \$33, it has found a bottom near the \$25 price range.

It currently pays a quarterly dividend of \$0.31 per share, so buying at \$25 will yield any new investor 4.96%. The best part of the story is, the next dividend is expected to be paid by the end of the year, shortly after earnings.

Disclosure: Ryan Goldsman is long NWC.

Joey Frenette: Alimentation Couche Tard Inc. ([TSX:ATD.B](#))

Alimentation Couche Tard Inc. ([TSX:ATD.B](#)) barely missed analyst expectations for the last quarterly report thanks in part to several disasters, including a flood, a hurricane, as well as a pipeline leak.

These disasters brought earnings down for what would have been a terrific quarter. Investors should know that these issues are temporary and will not affect the long-term profitability of the business.

The company has many synergies that will be unlocked next year, and this will provide a huge boost to earnings. It's a fantastic time to buy the stock. Enjoy the 16% dividend raise, while others worry about the temporary issues from the last quarter which are meaningless in the long term.

Disclosure: Joey own shares in Alimentation Couche Tard Inc.

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

Algonquin Power & Utilities Corp. ([TSX:AQN](#)) is a North American utility, which offers a 5.2% yield.

It has an installed capacity of about 1,300 megawatts, powered by clean energy facilities. It also provides water, electricity, and natural gas utility services to more than 560,000 U.S. customers.

Algonquin has about 80% of its business in the U.S. and pays a U.S. dollar–denominated dividend.

Since 2010, its dividend per share has grown from US\$0.06 to US\$0.59 cents, which equates to an annualized growth of 9.9%. In Canadian dollar terms, it translates to a higher growth rate.

Algonquin is expected to have exceptional growth in 2017. First, it has 259 megawatts of capacity which is expected to come online through 2017. Second, the **Empire District Electric** acquisition should close by early next year.

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

Neha Chamaria: Magna International Inc. ([TSX:MG](#))([NYSE:MGA](#))

Magna International Inc. ([TSX:MG](#))([NYSE:MGA](#)) might have underperformed this year, but prudent long-term investors should consider the stock's drop an opportunity, given Magna's growth catalysts and cheap valuation.

Magna's sales and profits hit record quarterly highs in Q3 as it expanded its portfolio to include new offerings from auto giants, including Audi, Mercedes, and Chevrolet. The market, however, appears to have become wary of Magna's prospects, fearing the impact of president-elect Donald Trump's anticipated protectionism and trade policies. However, it's mere speculation for now, and Trump's America-centric focus could even benefit Magna as it boosts the economy.

In short, don't fall for speculation. Magna is a strong auto-parts manufacturer with solid partnerships, a strong asset base, and a track record of shareholder returns. At under eight times trailing earnings, 0.4 price-to-sales, 0.8 PEG, and a dividend yield of 2.5%, Magna is a great, cheap stock to pick this December.

Disclosure: Fool contributor Neha Chamaria has no position in this company.

Andrew Walker: TransAlta Corporation ([TSX:TA](#))([NYSE:TAC](#))

TransAlta Corporation ([TSX:TA](#))([NYSE:TAC](#)) has been a dog for several years, but better days might finally be on the horizon.

The company has negotiated an agreement with the Albertan government to receive \$37.4 million per year from 2017 to 2030 as compensation for fast-tracking the elimination of coal-fired electricity generation.

TransAlta is also expected to benefit from the province's new regulatory framework, in which electricity producers will be paid based on their output capacity as well as the electricity they generate.

Weak power prices will likely persist in the near term, but the worst should be over for TransAlta and its investors.

Disclosure: Fool contributor Andrew Walker owns shares of TransAlta Corporation.

Nelson Smith: Goeasy Ltd. ([TSX:GSY](#))

Goeasy Ltd. ([TSX:GSY](#)) is a unique investment in today's market. It's a growth stock trading at value prices.

The company provides high interest loans to folks who don't qualify for traditional financing. Growth has been solid, especially as more and more provinces pass stricter payday-loan laws. Revenue in its most recent quarter was \$87.8 million—up 12.6% versus the same quarter last year.

Earnings are solid too with the bottom line coming to \$2.11 per share in the last 12 months. That puts the company at just 11 times trailing earnings.

Goeasy also pays a 2.1% dividend.

Disclosure: Fool contributor Nelson Smith has no position in this company.

Chris MacDonald: Potash Corporation of Saskatchewan Inc. ([TSX:POT](#))([NYSE:POT](#))

Potash Corporation of Saskatchewan Inc. ([TSX:POT](#))([NYSE:POT](#)) is a fantastic long-term commodities play in a market that appears to be heating up. Along with a pending merger with **Agrium** (which has just been approved by Potash Corp.'s shareholders), the company's stock price has been reaping the benefits of improving economic conditions with growth expectations significantly improved since the recent U.S. election.

The global market for potash should experience robust long-term growth, and while the company has cut its dividend recently, the yield is respectable; many analysts expect the yield to improve to a much higher yield, closer to its long-term average.

With an attractive entry point, this is a stock I am keeping my Foolish eyes on.

Disclosure: Fool contributor Chris MacDonald has no position in this company.

Demetris Afxentiou: Shopify Inc. ([TSX:SHOP](#))([NYSE:SHOP](#))

Shopify Inc. ([TSX:SHOP](#))([NYSE:SHOP](#)) provides a cloud-based multi-channel commerce platform that can integrate into a host of social media networks and configurations. In other words, Shopify is built from the ground up to be the go-to solution for businesses looking to set up a complete and scalable e-commerce presence quickly.

Shopify already has over 325,000 storefronts built, and over \$24 billion in sales have passed through the platform. In the most recent quarter, Shopify saw revenues double, which led the company to raise its revenue guidance for the third time this year.

Shopify is already up over 60% this year. This represents a huge opportunity over the long term as more businesses transition to an online storefront.

Disclosure: Fool contributor Demetris Afxentiou has no position in this company.

Ryan Vanzo: Tourmaline Oil Corp. ([TSX:TOU](#))

Tourmaline Oil Corp. ([TSX:TOU](#)) is predominantly a natural gas company. With the price of that commodity moving higher, shares have popped. Upside may still be in the cards, however, considering the company's massive leverage to rising prices.

For example, a \$1 per mcf rise in natural gas prices translates into a \$365 million increase in cash flow. With natural gas drilling still near historic lows—the gas rig count is down more than 90% from its highs—prices have room to strengthen further.

Tourmaline will have no problem waiting for better days. Estimates show that it can remain profitable at \$1.49 per mcf, the second lowest in the industry. As long as natural gas prices rise over the long term, Tourmaline investors should profit.

Disclosure: Fool contributor Ryan Vanzo has no position in Tourmaline Oil Corp.

CATEGORY

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TICKERS GLOBAL

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2. NYSE:SHOP (Shopify Inc.)
3. NYSE:TAC (TransAlta Corporation)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:GSY (goeasy Ltd.)
6. TSX:MG (Magna International Inc.)
7. TSX:NWC (The North West Company Inc.)
8. TSX:SHOP (Shopify Inc.)
9. TSX:TA (TransAlta Corporation)
10. TSX:TOU (Tourmaline Oil Corp.)

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