Top Stocks for March

Description

Ryan Goldsman: Home Capital Group Inc (TSX:HCG)

Shares of **Home Capital Group Inc.** (TSX:HCG) may be set for a major breakout. In February, shares of the alternative lender pulled back on the news of an Ontario Securities Commission investigation into the company's potential failure to properly supervise a number of their agents. The result was a drop in the share price from over $30 to under $27 per share and an increased dividend yield.

With the expectation that the market will realize the true value of the company, shares of Home Capital Group may be the best buy for March.

Fool contributor Ryan Goldsman has no position in shares of Home Capital Group.

Karen Thomas: Exco Technologies Limited (TSX:XTC)

Exco Technologies Limited (TSX:XTC) has been a steady, well-run company over its history, and shareholders have been rewarded with regular dividend increases. The stock has declined 25% in the last year, and I view this as a good opportunity for investors to get into a high-quality name that would be a solid addition to their income-generating portfolios.

The company is a designer, developer, and manufacturer of dies and it operates in the casting and extrusions business and the automotive solutions business. The company trades at an attractive valuation and continues to show strong results. It has a strong balance sheet, steady cash flow generation, and a good ROE — all things that make for a profitable long-term holding.

Fool contributor Karen Thomas has no position in Exco Technologies.

Matt DiLallo: TransCanada Corporation (TSX:TRP)(NYSE:TRP)

TransCanada Corporation (TSX:TRP)(NYSE:TRP) recently completed a transformational year after it acquired Columbia Pipeline Group to bolster its U.S. gas pipeline business, which enabled the company to deliver its best year financially; earnings rose 12% and net cash flow exceeded $5 billion.

Not only did that deal fuel growth last year, but it provided the company with another platform for future growth.

Currently, TransCanada is building US$7.1 billion of projects within its Columbia network, $2.3 billion of which should enter service later this year. Those project additions propped its backlog up to $23 billion, giving the company the confidence that it can deliver dividend growth at the higher end of its 8-10% annual range through 2020. In fact, the company recently increased the dividend 10.6% for 2017.

Last year's transformational deal makes it even more likely that TransCanada will deliver on its promised dividend growth, which is why this stock is one income investors will want to consider owning for the long term.

Fool contributor Matt DiLallo has no position in TransCanada.

Chris MacDonald: Callidus Capital Corp. (TSX:CBL)

Callidus Capital Corp. (TSX:CBL) has largely flown under the radar for most investors; it provides significant upside in both the short and long term.

The company operates in the alternative lending space, providing secondary financing to Canadian and U.S. mid-cap companies.

Callidus is currently in the midst of a privatization takeover and has received interest by 17 parties which have entered non-disclosure agreements with the company. It is expected that within the next few months, the proposed privatization will close, providing investors with an interesting opportunity to take advantage of a potential acquisition premium should the deal close.

Regardless of whether or not the deal closes, Callidus provides investors with a dividend yield close to 6.5%, making this name an attractive play for long-term income investors and those keen on "getting in early" with a relatively unknown name on the TSX.

Fool contributor Chris MacDonald has no position in Callidus Capital Corp.

Matt Smith: Algonquin Power & Utilities Corp. (TSX:AQN)(NYSE:AQN)

Energy utility **Algonquin Power & Utilities Corp.** (TSX:AQN)(NYSE:AQN) continues to go from strength to strength. On the back of its needle-moving $3.2 billion acquisition of The Empire District Electric Company in 2016 and the completion of a range of renewable energy projects, the company experienced a solid bump in earnings. Algonquin rewarded investors with a juicy 10% dividend hike, and it now yields a very tasty 5%.

There are signs that Algonquin remains well positioned to unlock further value. Not only is the secular trend to renewable sources of electricity acting as a powerful tailwind, but it has nearly a billion dollars of renewable energy projects under development; on commissioning between now and 2020, they will add 351 megawatts of capacity. Along with other growth initiatives, these projects will support higher earnings and further dividend hikes.

Fool contributor Matt Smith has no position in Algonquin Power.

Kay Ng: Cara Operations Ltd. (TSX:CARA)

You may be unfamiliar with **Cara Operations Ltd.** (TSX:CARA) because it only went public in 2015. However, investors looking for growth should give it some serious thought. Cara grows by acquisitions and franchising its operations.

It is Canada's largest full-service restaurant company, and it has a 125-year history. Furthermore, it has a strong focus in Ontario with 59% of its locations there. That said, its restaurant brands can be found in every province.

Its brands include Swiss Chalet, Harvey's, St-Hubert, Milestones, Montana's, Kelsey's, Casey's, New York Fries, Prime Pubs, Bier Markt, Original Joe's, and many more.

At below $26 per share, Cara trades at an attractive valuation for its high-growth potential.

Fool contributor Kay Ng has no position in Cara Operations.

Demetris Afxentiou: Air Canada (TSX:AC)(TSX:AC.B)

Air Canada (TSX:AC)(TSX:AC.B) is my pick for the month. The airline industry is enjoying one of the longest periods of growth in well over a decade, and Air Canada's growth over the past few years reflects this; the stock is up over 80% in the past year and up over 400% in the past four years.

Air Canada reported Q4 results recently; the company continues to show strong growth moving into the new fiscal year. The airline posted record EBITDAR of $2.768 billion for the full year, beating the previous year by nearly 9%. Air Canada's forecast for fiscal 2017 calls for additional growth and increasing positive free cash flow.

This growth has attracted flurry of investment to the entire airline industry, including Warren Buffett, who has invested over US$10 billion in the four largest airlines in the U.S. in the past year alone.

Fool contributor Demetris Afxentiou has no positions in Air Canada.

Andrew Walker: Enbridge Inc. (TSX:ENB)(NYSE:ENB)

Enbridge Inc. (TSX:ENB)(NYSE:ENB) just closed its acquisition of Spectra Energy in a deal that creates North America's largest energy infrastructure company.

The business now has $27 billion in secured growth projects underway and an additional $48 billion in the development pipeline. As the new assets are completed and go into service, Enbridge expects cash flow to increase enough to support dividend hikes of at least 10% per year through 2024.

If you are searching for a dividend-growth pick to tuck away in your TFSA, Enbridge is worth a look.

Fool contributor Andrew Walker has no position in Enbridge.

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

Hudson's Bay Co (TSX:HBC) is Canada's oldest company and largest department store operator with stores in Canada, U.S., and Europe under several brands, including Hudson's Bay, Saks, Lord & Taylor and Kaufhof.

I like Hudson's Bay because of Richard Baker, the company's executive chairman and largest shareholder. With **Macy's** still a potential acquisition candidate, HBC stock remains a very attractive candidate for aggressive investors who appreciate the real estate assets the company owns and would own should it be successful acquiring the troubled U.S. department store.

Clearly, given the state of retail generally, and department stores specifically, this is not an investment one should make if capital preservation is your prime objective.

Fool contributor Will Ashworth has no position in Hudson's Bay or Macy's.

CATEGORY

1. Investing
2. Top TSX Stocks

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:TRP (Tc Energy)
4. TSX:AC (Air Canada)
5. TSX:AQN (Algonquin Power & Utilities Corp.)
6. TSX:ENB (Enbridge Inc.)
7. TSX:HCG (Home Capital Group)
8. TSX:RECP (Recipe Unlimited)
9. TSX:TRP (TC Energy Corporation)
10. TSX:XTC (Exco Technologies Limited)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Yahoo CA

Category

1. Investing
2. Top TSX Stocks

Date
2025/07/19
Date Created
2017/03/01
Author
motley-fool-staff