

A Review of Last Year's Resolution

Description

In an article published on December 29, 2016, I made [my new year's resolution](#) very clear: to expand my horizon of companies that I consider for investment. The good news is that I have succeeded and have written about many companies throughout 2017 that I was not familiar with in 2016. The bad news is that there are so many more companies to learn about.

During 2017, **AutoCanada Inc.** ([TSX:ACQ](#)) shares hit a low of \$17.46 and have since risen to \$22.50, which is most probably where the stock will finish the year. Although most investors have been patient for more than 12 months for very little reward, there are many who'd bought in the teens and have managed to reap a healthy profit.

As has often been said, "time is the friend of great companies and enemy of the bad," which translates (at least in this case) to a potentially lucrative 2018. Investors will eventually get the last laugh by remaining patient and holding this name.

Another name I was not familiar with one year ago was none other than **Pure Multi Family REIT** ([TSXV:RUF.UN](#)). In spite of paying a healthy dividend from growing cash flows, Pure has had a [challenging year](#). At a price of \$7.50 per share, investors can still buy into the stock at a discount to tangible book value. With many exciting things in the pipeline for 2018, investors may get a lot more than the dividend throughout the year.

Not all things have worked out so well, however. Throughout 2017, the marijuana industry and cryptocurrencies were written about in great detail by numerous writers on the Motley Fool, and as we move forward into a new year, the outcome has become even more clear to me: Bitcoin will burst, while marijuana stocks will eventually reach their fair valuations.

One trait that has made Warren Buffett such a good investor is his willingness to learn about new things. Amateur investors need not be any different.

With Bitcoin, we have learned that a virtual (or crypto) currency is possible, and that people with very little knowledge of capital markets can become very wealthy by following the crowd (at least for a short period of time). The 1980s saw junk bonds lead to a boom of wealth and a subsequent bust, just as the year 2000 saw the technology bubble make and break many people. Over time, debt has returned to being a tool used for good, and the technology sector has created many millionaires and billionaires over the past 17 years.

In the case of the marijuana industry, investors (and company managers) still have a lot to learn, as the market has yet to fully take shape. The good news for investors is, 2018 will not be the year the sector has a massive correction; instead, the industry will only provide more clarity on the long-term business fundamentals, as many new competitors and production capacities come online. As always, we have to be patient to see how things will play out in this very new market.

With only a few days to go, my 2018 resolution will be no less interesting. See you next year!

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ACQ (AutoCanada Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date

2025/07/22

Date Created

2017/12/31

Author

ryangoldsman

default watermark

default watermark