Top Stocks for January

Description

Jason Phillips: Molson Coors Brewing Co Class B (TSX:TPX.B)(NYSE:TAP)

My top pick for the month of January is **Molson Coors Brewing Co Class B** (TSX:TPX.B)(NYSE:TAP). Bring in the new year and celebrate with what is now the world's third largest brewer following the company's acquisition of Miller Coors!

Molson Coors now boasts a world-class portfolio of premium and craft labels including Coors Light, Molson Canadian, Carling, Creemore Springs and the newly popular Blue Moon brand.

The company has sold off as of late, making now an opportune time to pick up this long-term holding at a discount. And while the yield, currently at 2.1%, won't be of much interest to those in the search of dividends today, the company has a runway ahead of it to raise that payout over the long term, making it a desirable candidate for your RRSP or RESP.

Fool contributor Jason Phillips has no position in shares of Molson Coors Brewing Co Class B.

David Jagielski: Enbridge Inc (TSX:ENB)(NYSE:ENB)

Enbridge Inc (TSX:ENB)(NYSE:ENB) is my top pick for January because the stock has long been undervalued and the share price has finally started to gain some momentum. In the last month, the stock has risen 11% in price and more could be on the way.

OPEC recently agreed to extend supply cuts, and if that is able to push oil prices higher then Enbridge and other oil and gas stocks could be terrific investments in 2018. We've already seen a big improvement in the price of oil in the second half of this year and if that continues then Enbridge's stock could soar.

The company also offers a terrific growing dividend that currently pays investors more than 5% annually.

Fool contributor David Jagielski has no position in Enbridge Inc.

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

My top stock for January and the rest of 2018 is **Restaurant Brands International Inc.** (TSX:QSR)(NYSE:QSR), a business that has had its fair share of concerns in 2017, none of which seem detrimental to the company's incredible growth story that's still in its early stages.

Comps at Tim Hortons have been underwhelming of late, thanks to sub-par new menu items and a rise in competition for Canada's coffee crowd, but in the grand scheme of things, these are nothing more than short-term, quarter-by-quarter results and not a sign of a longer-term downward trend.

Restaurant Brands is run by a legendary management team that's gradually reducing its debt-load while its cash flow continues to surge. With shares trading ~9% below their 52-week highs, I'd strongly encourage growth-oriented investors to initiate a position today before shares take-off in the new year.

Fool contributor Joey Frenette owns shares of Restaurant Brands International Inc.

Kay Ng: Open Text Corp. (TSX:OTEX)(NASDAQ:OTEX)

As **Open Text Corp.** (TSX:OTEX)(NASDAQ:OTEX) stock has been consolidating in the last year or so, it is a reasonable buy for above-average growth.

The company has closed 57 acquisitions so far. Its newest acquisitions have room for operating margin expansion, which will allow for earnings growth.

The management knows what it's doing. In the recent past, since fiscal 2010, the company has delivered a return on equity of at least 11% every year. And it has seen even higher returns on equity in recent years.

At ~$42 per share, Open Text trades at a decent multiple of below 15 for estimated earnings per share growth of ~18% per year for the next three to five years.

Fool contributor Kay Ng owns shares of Open Text.

Karen Thomas: Industrial Alliance Insurance and Financial Services Inc. (TSX: IAG)

Industrial Alliance Insurance and Financial Services Inc. (TSX:IAG) is a value stock that, even after a 36% rally since January 2016, is still poised to outperform.

Drivers for the shares include the recent HollisWealth acquisition, which should improve the company's mutual fund business and its individual wealth management business.

With improving solvency ratios, earnings numbers, and above-average exposure to rising interest rates here in Canada, the future looks set to build on gains that the company has already made.

And with the most recent dividend hike of $0.03 per share, increasing the quarterly dividend to $0.38, management clearly believes in its future.

Fool contributor Karen Thomas owns shares of Mullen Group Ltd.

Susan Portelance: Linamar Corporation (TSX:LNR)

My top stock pick for January is **Linamar Corporation** (TSX:LNR). The stock was in the news in December for its announcement of a huge acquisition: the company is buying Winnipeg-based MacDon Industries Ltd. for $1.2 billion. This will give the auto-parts company a huge presence in the agricultural equipment market when the deal closes.

Linamar missed expectations last quarter, but blew past them the previous two quarters. The stock has produced good results over the last year. Sales and profits have been on the upswing over the past five years, so this year's results are no fluke.

Fool contributor Susan Portelance has no position in this stock.

Stephanie Bedard-Chateauneuf: Alimentation Couche Tard Inc. (TSX:ATD.B)

Alimentation Couche Tard Inc. (TSX:ATD.B), one of the world's largest convenience stores operator, is my top pick for January.

Couche Tard reported a strong 2018 second quarter, with adjusted earnings per share up 38% to US$0.80, and beating consensus by US$0.07. Revenues were US$12.1 billion, up 44% compared to the same quarter a year earlier.

While hurricanes in the U.S. south increased costs, the CST Brands acquisition more than offset their negative impact.

Couche Tard is once again strengthening its presence in the United States by acquiring Holiday Stationstores, a chain of 522 convenience stores.

The company's share price has been constantly rising for many years, and I expect this trend to continue as double-digit growth is expected for the next few years.

Fool contributor Stephanie Bedard-Chateauneuf owns shares of Alimentation Couche Tard Inc.

Haris Anwar: RioCan Real Estate Investment Trust (TSX:REI.UN)

RioCan Real Estate Investment Trust (TSX:REI.UN) is Canada's largest REIT. With 300 retail properties across Canada, it owns and manages the country's largest portfolio of shopping centers with top quality names as its clients.

RioCan has recently announced a plan to revamp its business focusing on Canada's six biggest markets and exiting some of the smaller cities where margins were hard to come by. I think this move will unlock great value for long-term income investors who want to earn a higher return and regular monthly distribution. With a 6% annual dividend yield and an attractive valuation, RioCan is one of the best real-estate stocks to consider for dividend investors.

Fool contributor Haris Anwar doesn't own shares of RioCan Real Estate Investment Trust.

Will Ashworth: Canadian Imperial Bank of Commerce (TSX:CM)(NYSE:CM)

Canadian Imperial Bank of Commerce (TSX:CM)(NYSE:CM) is Canada's fifth-largest bank with $565.3 billion in total assets and 11 million individual and business accounts in Canada, the U.S. and around the world.

Recently, it's been getting analyst upgrades as a result of the success it's having integrating PrivateBancorp, the $6.6 billion acquisition it completed in June 2017. In addition, it's thinking about listing its investment in FirstCaribbean International Bank on a U.S. exchange in 2018. That could deliver a nice return on its majority investment.

Put simply, CIBC is my favourite Canadian bank.

Will Ashworth does not own any of the stocks mentioned.

Ambrose O'Callaghan: Cineplex Inc. (TSX:CGX)

My top stock for January is **Cineplex Inc.** (TSX:CGX). Cineplex stock has suffered in 2017, dropping 23.5% as of close on December 19. However, positive fall and winter numbers at the box office make Cineplex attractive at its current price.

On December 15 Cineplex announced a quarterly dividend of $0.14 per share representing a 4.3% dividend yield. *Star Wars: The Last Jedi* charged out of the gate with the second-largest weekend box office opening in history from December 14-17. Cineplex also debuted a $1 reserved seating surcharge at select screenings of the film, which should boost fourth quarter revenues.

Fool contributor Ambrose O'Callaghan has no position in any stocks mentioned.

Andrew Walker: BCE Inc. (TSX:BCE) (NYSE:BCE)

BCE Inc. (TSX:BCE) (NYSE:BCE) continues to expand its reach into the homes and lives of Canadians across the country.

The company closed its purchase of Manitoba Telecom Services earlier this year and recently announced its acquisition of home and business security company AlarmForce. In addition, BCE just launched its new low-cost prepaid business, Lucky Mobile.

On the media side, BCE owns sports teams, a television network, specialty channels and radio stations. When you combine the media assets with the wireless and wireline network infrastructure, you get a powerful company with a wide moat.

BCE has a strong track record of raising the dividend, and the trend should continue.

Fool contributor Andrew Walker owns shares of BCE.

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

The increasingly positive outlook for crude makes now the time to boost exposure to energy stocks. One often ignored energy stock is **Gran Tierra Energy Inc.** (TSX:GTE)(NYSE:GTE) which is focused on operating in Latin America's fourth largest oil producer, Colombia.

Over the last two years it made several accretive acquisitions which boosted its oil reserves to 116 million barrels representing an impressive 105% year over year increase. Production is also growing rising by 31% year over year for the third quarter 2017 to almost 33,000 barrels daily. Gran Tierra's operations are highly profitable generating a netback of US$23.58 per barrel which is among the highest for its peers.

An advantage that it has over its North America peers is the ability to access international Brent pricing. With Brent trading at a premium in excess of US$5.00 per barrel to West Texas Intermediate it will give Gran Tierra's earnings a healthy bump.

Fool contributor Matt Smith does not own shares in any of the companies mentioned.

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