

4 Growth Stocks You Should Consider to Begin the Year

Description

The Canadian economy is facing several challenges to start the year. Ongoing NAFTA negotiations, new mortgage rules, record high consumer debt, and impending interest rate decisions from the Bank of Canada all [threaten the S&P/TSX Index](#), which is hovering around all-time highs. In a recent article, I'd also [discussed](#) the nation-wide minimum wage hikes and how it will affect employment and business decision making moving forward.

Let's look at four growth stocks that should appeal to those on the lookout for growth in an uneasy environment to begin the year.

Husky Energy Inc. (TSX:HSE)

Husky Energy is a Calgary-based integrated oil and gas company with upstream and downstream segments. The stock rose 1.75% over the first trading week in January. Oil prices have remained above the \$60 mark, as protests continue to rattle the Iranian government.

Husky Energy released its third-quarter results on October 26. Net debt dropped to \$3 billion from \$4.1 billion in the prior year. Adjusted net earnings also climbed to \$136 million from a loss of \$100 million in Q3 2016. Higher gas prices are also expected in 2018, which is great news for Husky and the more than 500 retail stations it owns and operates across Canada.

Leon's Furniture Ltd. ([TSX:LNF](#))

Leon's is a Toronto-based home furnishings, appliances, and electronics retailer. Its stock rose 2.1% in the first week of 2018. In its October 2017 GDP report, Statistics Canada showed a 3.2% rise in activity in the personal and household goods sector.

Leon's released its third-quarter results on November 14. Total system-wide sales rose 4.7%, and adjusted net income jumped 9.9% to \$34.4 million. Year-to-date adjusted net income has increased 20.9% to \$62.9 million compared to \$52 million in 2016. The company also announced a quarterly dividend of \$0.12 per share with a 2.5% dividend yield.

Silvercorp Metals Inc. ([TSX:SVM](#))(NYSE:SVM)

Silvercorp is a Vancouver-based precious metals mining and exploration company with a focus on China properties. Silvercorp stock rose 6.7% in the first week of January. Silver prices climbed above the \$17 mark in late December for the first time since early September 2017.

Silvercorp released its second-quarter results on November 8. Sales were up 3% to \$47.5 million, and it posted a 2% increase in cash and cash equivalents and short-term investments. Silvercorp offers a modest dividend yield and was priced at \$3.50 as of close on January 5. Precious metals have surged out of the gate on geopolitical concerns and a weakening U.S. dollar.

Lassonde Industries Inc. ([TSX:LAS.A](#))

Lassonde is a Quebec-based fruit and drink producer, marketer, and developer. Shares fell 2.1% in the first trading week of 2018. Activity at food and beverage stores moved up 1% in the October 2017 GDP report.

In the third quarter, Lassonde saw operating profits rise to \$33.9 million from \$32.3 million in the prior year. Lassonde is confident that it will be able to surpass total 2016 sales at the conclusion of its 2017 reporting. The stock also offered a quarterly dividend of \$0.61, representing a 1% dividend yield.

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1. Investing

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1. Editor's Choice

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1. TSX:LAS.A (Lassonde Industries Inc.)
2. TSX:LNF (Leon's Furniture Limited)
3. TSX:SVM (Silvercorp Metals Inc.)

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