Top Stocks for April

Description

Chris MacDonald: BlackBerry Ltd. (TSX:BB)(NYSE:BB)

BlackBerry Ltd. (TSX:BB)(NYSE:BB) has continued to post strong momentum in 2018, bolstered by a couple of key moves which have continued to support bullish investor sentiment for this legacy Canadian technology giant.

BlackBerry's recent move to keep CEO John Chen for the next five years has calmed investor worries that the long-term turnaround plan of the commander in chief could potentially be usurped by a change in the company's management team.

A recent deal with U.S. tech giant **Microsoft Corporation** (NADAQ:MSFT) has also boosted expectations that the company's legacy security-oriented systems may still be useful in today's rapidly changing environment.

I expect April to be a month in which BlackBerry will potentially be able to gain on some of its global technology counterparts, which is why this company tops my list of stocks for the beginning of Q2!

Fool contributor Chris MacDonald has no position in BlackBerry Ltd.

David Jagielski: Canopy Growth Corp (TSX:WEED)

Canopy Growth Corp (TSX:WEED) is my pick for April because I expect cannabis stocks to take off once we get word that marijuana is finally legalized. As we get closer to that inevitability and as hype in the industry starts to build, yet again, Canopy Growth is one stock I would expect to get a big boost from that excitement.

While the stock had a strong 2017, this year its performance has been a bit milder, although it is still up 20% in just the past month. However, there is still a lot more potential for this stock, which is nowhere near its 52-week high of $44. In fact, I wouldn't rule out the share price hitting $50 before the year isout.

Fool contributor David Jagielski has no position in Canopy Growth Corp

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Stephanie Bedard-Chateauneuf: Air Canada (TSX:AC)(TSX:AC.B)

Air Canada (TSX:AC)(TSX:AC.B)**,** Canada's largest airline, is my top stock for April.

Air Canada capped a strong 2017 by earning adjusted net income of $61 million or $0.22 per share in the fourth quarter – beating analysts' estimate of $0.14 per share.

Operating revenue was $3.82 billion in the quarter, up 11.4% from $3.43 billion a year earlier and above the estimate of $3.75 billion.

Air Canada is planning to defend against low-cost competitors by adding more planes to its Rouge fleet for use on domestic routes.

The airline has a new $250-million cost-cutting plan that will be implemented by the end of 2019. That follows the completion of a $500-million plan launched in 2009 that resulted in savings of $575 million.

Air Canada's stock is very cheap, with a P/E of only 3.6 and a five-year PEG of only 0.5. Earnings are expected to grow by 33% in 2019.

Fool contributor Stephanie Bedard-Chateauneuf has no position in shares of Air Canada.

Mat Litalien: Canadian National Railway (TXS:CNR)(NYSE:CNI)

My top pick for the month of April is **Canadian National Railway** (TXS:CNR)(NYSE:CNI). Year-to-date, its stock has significantly underperformed its peers and the market. However, its recent pullback has presented investors with an opportunity to pick up a quality company at bargain prices. Its current yield has touched levels not seen since late 2009 and it has a long history of double-digit dividend growth rates.

Its problems are short term in nature. Once it appoints a new CEO and resolves its grain supply issues in Western Canada, it will quickly reverse course. Likewise, there is increased likelihood that CN Rail will benefit from the current pipeline glut. Don't miss out on this unique opportunity.

Fool contributor Mat Litalien is long Canadian National Railway.

Jason Phillips: Enbridge Inc (TSX:ENB)(NYSE:ENB)

My top pick for the month of April is **Enbridge Inc** (TSX:ENB)(NYSE:ENB).

While it looked a few months ago like shares in Enbridge fell into the "value trap" category, after falling another 10% over the past month and now trading at a very attractive dividend yield of 6.47%, now is the time to move on this energy transportation company.

Enbridge's CEO recently announced that the company's pipelines will be at full capacity for at least the next couple of years making this a name that you can safely store away and not lose any sleep over.

Fool contributor Jason Phillips owns the Enbridge Inc January 2019 25-strike calls.

Ambrose O'Callaghan: Jamieson Wellness Inc. (TSX:JWEL)

My top stock for April is **Jamieson Wellness Inc.** (TSX:JWEL). The stock has climbed 35% from its initial public offering in July 2017. The Toronto-based company that specializes in nutrition products and supplements is a great long-term hold as the global supplements market is projected to post a compound annual growth rate (CAGR) of 9.5% into 2024 according to Grand View Research.

Jamieson saw revenue climb to $300.6 million in 2017 and adjusted EBITDA rose 31.4% year over year to $61.5 million. The stock also offers a quarterly dividend of $0.08 per share representing a 1.1% dividend yield.

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

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

My top pick for April is **Alimentation Couche Tard Inc.** (TSX:ATD.B), a stock that has been absolutely obliterated following the release of its underwhelming third-quarter results that missed analyst expectations on the bottom-line by a mile thanks in part to weak fuel margins among other issues.

Sky-high analyst expectations paved the way for disappointment and at this point, it looks like many investors are giving up on a company which I believe still has a lot of gas in the tank when it comes to long-term growth.

The stock is currently down over ~17% from its peak and given ample means to grow its EPS in the double-digits over the next few years, I think the stock's an absolute steal at just 13.9 times forward earnings.

Fool contributor Joey Frenette owns shares of Alimentation Couche Tard Inc.

Demetris Afxentiou: Enbridge Inc. (TSX:ENB)(NYSE:ENB)

Occasionally an opportunity comes along that is just too good to pass on, and **Enbridge Inc.** (TSX:ENB)(NYSE:ENB) recently passed that threshold.

Enbridge has been completely decimated year-to-date, with the stock down over 20%. That market beating is primarily attributed to the over $20 billion in debt the Spectra merger came with, which pushed Enbridge's debt to $65 billion, and pushed its credit rating down.

That being said, Enbridge does have a slew of multi-billion dollar projects set to come online over the next few years, and Enbridge's business is both stable with plenty of growth opportunities. The company has already issued $2.1 billion in equity allocated to the debt, and a further $10 billion in non-core projects are slated to be sold off to pay down the debt further.

If that wasn't reason enough to buy while the stock is down, then consider the dividend which now pays an impressive 6.84% yield.

Fool contributor Demetris Afxentiou has no position in any stocks mentioned.

Kay Ng: Birchcliff Energy Ltd. (TSX:BIR)

The oil and gas producers have generally been unloved in the last year. When investors stay away, bargains can be found.

I believe **Birchcliff Energy Ltd.** (TSX:BIR) is one such bargain. It's a low-cost gas-weighted producer, which has a clean balance sheet and generates strong cash flow. Furthermore, management estimates production growth of ~13% this year. Even if commodity prices remain stagnant, the company can still generate higher cash flow.

At ~$3.80 per share, Birchcliff trades at an absurd discount of ~37% from its book value and can double 2-3 years down the road. The stock's 2.6% dividend yield is a bonus. Interested investors might just be able to buy the stock on meaningful dips given its highly volatile nature.

Fool contributor Kay Ng owns shares of Birchcliff.

Matt Smith: Brookfield Renewable Partners L.P. (TSX:BEP)(NYSE:BEP)

Electric utility **Brookfield Renewable Partners L.P.** (TSX:BEP)(NYSE:BEP) is poised to unlock significant value for investors. After languishing because of the impact of poor hydrology on electricity generation, improving environmental conditions combined with recent acquisitions leave it primed to outperform. Electricity generation for 2017 was 18.5% higher year over year and 3% greater than the forecast long-term average. That gave earnings a shot in the arm, causing EBITDA to spike by 21% and funds flow from operations tor rise by 39%. This solid lift in earnings allowed Brookfield Renewable to hike its distribution by 5%.

There is every sign this trend will continue. Hydrology is improving across the Americas, where Brookfield Renewable's hydro-plants are located, which will boost water levels and electricity output.

In late 2017 it completed the **TerraForm Power Inc.** (NASDAQ:TERP) deal, boosting its portfolio by 3,600 megawatts as well as diversifying it across wind and solar. It is expected that Brookfield Renewable will make further accretive acquisitions finishing 2017 with US$1.5 billion in liquidity. While investors wait for it to appreciate they will enjoy the partnership's sustainable distribution yielding a juicy 6%.

Fool contributor Matt Smith has no position in any stocks mentioned.

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