



Top Stocks for August – Part 1

Description

You can find part 2 of this month's Top Stocks article [here](#).

Demetris Afxentiou: Bank of Nova Scotia

Canada's Big Banks are frequently regarded as great investments, **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) offers something unique over its peers, which is why the bank is my pick this month.

Bank of Nova Scotia opted years ago to expand into Latin America, and in doing so capitalized on the growth of the Pacific Alliance – a trade bloc of four nations charged with eliminating tariffs and growing trade in the region. Bank of Nova Scotia's investment into the bloc has led to double-digit growth from the region with each passing quarter.

Additionally, a string of acquisitions on the domestic and international front has recently propelled Bank of Nova Scotia's wealth management arm to have over \$230 billion worth of assets under management.

Finally, investors should note that Bank of Nova Scotia offers an appetizing quarterly dividend that has a yield north of 4.3% that has a proven record of annual or better increases.

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

Joey Frenette: Alimentation Couche Tard Inc

My top pick for August is **Alimentation Couche Tard Inc.** (TSX:ATD.B). The company recently clocked in an impressive quarterly beat which saw profits surge nearly 42% thanks to synergies from previous acquisitions in CST Brands and Holiday.

In response, Couche Tard shares rallied back to the low \$60 levels and may be positioned to blast through its long-term \$68 ceiling of resistance upon the next acquisition announcement which may be

the first of many moves to break into the hot Asian convenience store market.

After the refreshing quarter, it feels like the dog days of are finally behind the company and as we head into the latter part of the year, we could see the stock finally make up for the years of consolidation.

Joey Frenette owns shares of Alimentation Couche Tard Inc.

Ryan Goldsman: Slate Office REIT

After witnessing a lot of momentum moving in the wrong direction for close to a year, shares of Slate Office REIT (TSX:SOT.UN) are finally starting to find a clear bottom and are ready to bounce.

At a price of \$7.65, the dividend yield is an extremely generous 9.8% which is paid on a monthly basis. In spite of accounting for more than 100% of the cash flows available, the catalyst will come gradually as management has finally started to undertake a share buyback and reduce the monthly financial obligations.

Once the share count becomes more palatable, investors will be in for an incredible run higher as many REITs offer yields that are most often no more than 6%.

Fool contributor Ryan Goldsman has no position in shares of Slate Office REIT.

Kay Ng: Brookfield Property Partners LP

Brookfield Property Partners LP. ([TSX:BPY.UN](#))(NASDAQ:BPY) was my top stock idea last month and remains my top idea this month. Although the stock has traded higher in the last few months, it still offers good value at the recent quotation of \$27.30 per unit.

Brookfield Property trades at a discount of almost 30% from its IFRS value and offers an attractive distribution yield of almost 6.1%. Its distribution is safe because it is supported by a globally diversified portfolio of quality real estate assets, which generate predictable cash flow.

Additionally, Brookfield Property also sells mature assets and recycles the proceeds in to higher-return assets. This buffer is not included in its sustainable payout ratio, which is targeted at about 80%.

Fool contributor Kay Ng owns shares of Brookfield Property.

Mat Litalien: goeasy Ltd

My top pick for the month of August is **goeasy Ltd.** ([TSX:GSY](#)). Year-to-date, goeasy has significantly outperformed the market with a 17% return. It's about to go even higher.

The company recently announced preliminary Q2 results which were very bullish. Gross consumer loans grew 61%, while loan book growth was an astounding 122%! Goeasy also has one of the best

net charge-off rates in the business, which I might add, are trending downwards. The best part? Goeasy is expected to raise guidance when it reports second quarter results in early August.

Fool contributor Mat Litalien is long Goeasy Ltd.

Stephanie Bedard-Chateauneuf: Neptune Technologies & Bioresources Inc

Neptune Technologies & Bioresources Inc. ([TSX:NEPT](#))(NASDAQ:NEPT), a wellness and nutrition products company based in Quebec, is my top stock for August.

In June, Neptune announced a four-year renewable agreement with **Canopy Growth Corp.** to provide extracted cannabis products.

Neptune's entry into the cannabis industry will boost its revenue and earnings: sales are expected to grow by 133% to approximately \$89 million and earnings by 200% to \$0.07 per share next year.

The biotech company's shares have soared 278% over one year but have plunged 25% in the last month. The stock trailing P/E is 17.

You should profit from this fall in price to buy Neptune's stock while it is still cheap.

Fool contributor Stephanie Bedard-Chateauneuf has no position in shares of Neptune Technologies & Bioresources Inc.

Neha Chamaria: Canadian National Railway

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) stock just hit is 52-week high, but there are solid reasons to still pile on the shares and forget about them for some years.

To begin with, the railroad giant has a new leader at the helm, Jean-Jacques Ruest, who was serving as an interim CEO since March and was just confirmed to the leadership position. Now Canadian National had a dismal first quarter as it faced a severe capacity crunch. Ruest took over during that time, and while it was an exceptionally tough quarter, Ruest had to prove to customers and shareholders alike that Canadian National can ride out the storm.

He succeeded: Canadian National reported solid 9% and 30% growth in revenue and net income, respectively, for Q2, and also upgraded its full-year earnings outlook, thanks to management's strategy to [aggressively invest in rail infrastructure](#), new rail cars and equipment, and new hires on short notice. With Ruest starting off on an encouraging note and foreseeing a strong future for the company, long-term investors can happily ride Canadian National Railway for solid returns.

Fool contributor Neha Chamaria has no position in this company.

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TICKERS GLOBAL

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2. NYSE:CNI (Canadian National Railway Company)
3. OTC:NEPT.F (Neptune Wellness Solutions)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:BPY.UN (Brookfield Property Partners)
6. TSX:CNR (Canadian National Railway Company)
7. TSX:GSY (goeasy Ltd.)
8. TSX:RPR.UN (Ravelin Properties REIT)

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