



Top Stocks for September – Part 2

Description

You can find part 1 of this month's Top Stocks article [here](#).

Mat Litalien: Canadian Imperial Bank of Commerce

My top pick for the month of August is **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)). After struggling in the first half of the year, CIBC has been Canada's best banking stock over the past month.

The company has the highest yield of the Big Five banks and it announced its second dividend raise of the year in August. CIBC is starting to reap significant benefits from its increased presence south of the border and it has a strong Canadian retail and wealth management segment. To cap it all off, it is one of the [best valued Big Banks](#).

Fool contributor Mat Litalien has no position in CIBC.

Stephanie Bedard-Chateauneuf: Cineplex Inc.

Cineplex ([TSX:CGX](#)), Canada's largest movie theatre chain, is my top stock for September.

Cineplex reported record second-quarter results, as more people went to the movies and spent more on movie tickets and food. The company also generated increased revenue from its media and amusement business units.

Cineplex is trying to minimize the impact of an unpredictable box office and to compete with the popularity of on-demand video services by expanding its offerings beyond movies and developing its gaming and restaurant brands.

The movie and entertainment company has implemented a cost-reduction program during the second quarter with the expectation of realizing annualized cost savings of \$25 million by the end of the year.

Cineplex's stock is interesting for dividend lovers, as it pays a monthly dividend of \$0.145 per share for a yield of 5%.

Fool contributor Stephanie Bedard-Chateauneuf has no position in shares of Cineplex Inc.

Demetris Afxentiou: Hydropothecary Corporation

October marks the point where legalization finally hits the Canadian market, so this month may be your last chance to jump on board the cannabis market, pre-legalization.

My pick this month belongs to **Hydropothecary** ([TSX:HEXO](#)) which I put down to the following two reasons:

First, Hydropothecary is a deal-making machine. The company recently signed a massive partnership to create non-alcoholic cannabis-infused beverages. The potential here is off the scale and could lead to a whole line of complementary products.

Amazingly, that deal follows two notable others, including a deal with Quebec to provide 200,000 kilograms over five years, as well as an agreement with B.C.'s Liquor Distribution branch to sell its line of cannabis oil sprays.

Second, Hydropothecary is rapidly expanding its operations. A one-million-square-foot facility is currently under construction that along with the new 250,000 square-foot started just last year will propel production capacity to 108,000 kilograms annually.

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

Kay Ng: Wheaton Precious Metals Corp.

With the Canadian markets trading at near all-time highs, it's not a bad idea to buy some **Wheaton Precious Metals** ([TSX:WPM](#))([NYSE:WPM](#)) stock in my opinion, which has dipped meaningfully as precious metal prices have been weak.

Wheaton Precious Metals stock moves differently from the market. So, it's an excellent hedge and diversification for any investor's portfolio in a roaring market.

When something bad happens in the markets, investors will flock to precious metals as a safe haven. And as a top precious metals streaming company, which is leveraged to increases in the price of precious metals, Wheaton Precious Metals will benefit at such times.

Wheaton Precious Metals also compensates shareholders with a dividend yield of about 2%.

Fool contributor Kay Ng owns shares of Wheaton Precious Metals.

Joey Frenette: Roots Inc.

My top stock for September is **Roots** ([TSX:ROOT](#)), the iconic Canadian retailer whose stock has fallen back into single-digit territory and is now off around 30% from its all-time high.

The company just came off a weak quarter and, with an apparent lack of hype from the general public with regards to its U.S. expansion, I think nothing but pessimism is baked into shares at these levels.

Roots has steadily grown its gross margins steadily on a year-over-year basis and with several enticing growth drivers in the cards (U.S. expansion, footwear offering, e-commerce growth), I think Roots could deliver a surprising blowout quarter at some point over the next year.

With shares trading at just 1.2 times sales, Roots stock appears to have a considerable margin of safety and would make for a perfect addition to any prudent investor's portfolio in my opinion.

Fool contributor Joey Frenette has no position in any stocks mentioned.

Ryan Goldman: Crescent Point Energy Corp.

After watching the short-term momentum run out of oil, shareholders have unfairly punished **Crescent Point Energy** (TSX:CPG)(NYSE:CPG). Along the way, however, those sitting on the sidelines have been offered an incredible opportunity to potentially double their money within the next year.

At a current price of less than \$9, investors will receive a dividend yield of more than 4% (paid monthly) and a huge amount of upside as tangible book value is almost double the current share price! In spite of negative earnings, the company has remained cash flow positive for quite some time, which will allow shares to move substantially higher as the momentum returns to long-term oil prices.

As time is the friend of the good and the enemy of the bad, it may be the best idea to jump in head first and make friends with this name!

Fool contributor Ryan Goldman has no position in shares of Crescent Point Energy Corp.

Andrew Walker: Fortis Inc.

Fortis ([TSX:FTS](#)) ([NYSE:FTS](#)) has grown from its modest origins in eastern Canada to become one of the top 15 utilities in North America.

Large acquisitions made in the United States in recent years are performing well and more than 60% of the asset base is now located in the country. In addition, Fortis currently gets more than 90% of its revenue from regulated businesses.

The geographic diversification and reliable revenue stream make the stock an attractive pick for income investors. The payout generates a 4% yield and management is targeting 6% annualized dividend growth through 2022.

Fool contributor Andrew Walker has no position in Fortis Inc.

CATEGORY

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2. Top TSX Stocks

TICKERS GLOBAL

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2. NYSE:FTS (Fortis Inc.)
3. NYSE:VRN (Veren)
4. NYSE:WPM (Wheaton Precious Metals Corp.)
5. TSX:CGX (Cineplex Inc.)
6. TSX:CM (Canadian Imperial Bank of Commerce)
7. TSX:FTS (Fortis Inc.)
8. TSX:HEXO (HEXO Corp.)
9. TSX:ROOT (Roots Corporation)
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11. TSX:WPM (Wheaton Precious Metals Corp.)

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