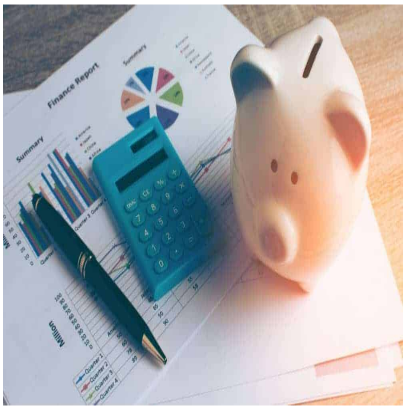

3 Stocks Boasting Superb Growth Potential

Description

As investors, we often deviate first towards stocks that garner plenty of positive coverage. That's not to say those stocks are not great investment options, but in doing so we may be bypassing other potentially great investment options.

Here are several stocks that, despite being down in the market and perceived in a negative light by some, are still incredible growth options for any portfolio.

Roots (TSX:ROOT) may best be known for providing apparel to Olympic teams, but as an investment, the company has had mixed fortunes since its high-publicity IPO. The company is full of potential but consistently comes up short during earnings season. We're still a week or so away from the next quarterly update, but the adjusted loss of $0.11 per share in the first fiscal quarter, which was actually worse than the loss in the quarter before that, have weighed in heavily on investors.

So, where's the upside?

Margins. We've seen steadily improving gross margins in the past few quarters, which is an indication of improving sales. Coincidentally, the company is in the midst of an aggressive expansion into the U.S. and Asian markets that is likely to see the stock come out of its current lull of just under $10.

Restaurant Brands International (TSX:QSR)(NYSE:QSR) has had more than its fair share of negative attention over the past year, particularly as lacklustre growth from the Tim Hortons segment and an increasingly vocal group of franchises played a part in the stock seeing relatively flat growth over the course of the past year.

What those critics of Restaurant Brands fail to observe, however, is the incredible growth and income prospects the company still has. Tim Hortons has expanded into multiple international markets over the past year, and that trend is likely to continue. The Popeyes brand is now set for its own international expansion following that same highly successful model as well.

Together, the three segments all saw sales growth in the most recent quarter, with Popeyes and Burger King reporting 11% and 8%, respectively, while, despite its troubles, Tim Hortons still managed to register 2% growth.

As an income investment, Restaurant Brands has had an incredible run of dividend hikes over the past two years, leading to the current appetizing quarterly yield of 3.13%.

Crescent Point Energy (TSX:CPG)(NYSE:CPG) is an interesting pick for value-minded investors looking for a deal. The company announced this week a series of deep cuts, including a 17% cut to its workforce and asset sales of $1 billion over the next year. The company even announced it would be slashing compensation of its five highest-paid members by 20% when compared with 2017.

That level of deep cuts and sales raises the question: where is the opportunity for investment?

Over the past two years, the stock has dipped over 50%, leading many to believe the company is well into oversold territory. In fact, Crescent Point is also now trading below its book value, making it even more appealing.

Another point to consider is that part of that sell-off in the stock came as a result of the company slashing its dividend twice in the past few years. The current monthly distribution still offers a very attractive 4.34% yield.

Should oil prices continue to climb, as many suggest, Crescent Point's current valuation may turn out to be an incredible buying opportunity.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:VRN (Veren)
3. TSX:QSR (Restaurant Brands International Inc.)
4. TSX:ROOT (Roots Corporation)
5. TSX:VRN (Veren Inc.)

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