TFSA Investors: These 3 Stocks Just Hit Massive Buy Points

Description

For many investors, the issue isn't finding stocks to buy. They've done the research and know which companies they want to own over the long term.

The issue is when to buy these companies. They want to get in at the best possible price to maximize capital gains over time while also minimizing loss potential. Or, to look at it another way, if you like steak, then buying it is usually a good idea. Buying it on sale is all the better.

Let's take a closer look at three blue-chip Canadian stocks that should be on your shopping list today.

Bank of Nova Scotia

I follow a simple rule with **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS) shares. When the company's stock dips below $70, I buy more. The bank is now one of my biggest holdings, and I feel terrific about it.

Investors are nervous about Scotiabank for a couple different reasons. Mortgage growth is expected to remain tepid here in Canada, and if the housing market collapses, it'll be an issue for every Canadian bank, Scotiabank included. The market is also nervous about the company's Latin America exposure. The region could be hit particularly hard by a recession.

These are both short-term issues. Investors who take a long-term view see something very different. Those foreign operations continue to post terrific earnings growth — a trend that should continue as the region continues to become wealthier. And Scotiabank is so secure in Canada, there isn't much short of total economic collapse that can bring it down at home.

Today is a fantastic buying opportunity — a chance to load up on shares trading at under 10 times forward earnings. Investors also get a whopping 5.1% dividend to wait. If I didn't already own a bunch of shares, I'd be backing up the truck today.

Suncor Energy

Energy is the most hated sector in Canada. And with crude oil prices continuing to be volatile, there's no end in sight.

The good news is, this has created a great long-term buying opportunity in the sector. I'm a big fan of the integrated oil producers today — companies that own downstream assets like refineries and service stations. These assets provide steady cash flow while we wait for the crude market to recover.

Suncor Energy (TSX:SU)(NYSE:SU) is the best of the sector thanks to its solid balance sheet, terrific long-term oil sands assets (which make it Canada's largest energy producer), an expanding conventional oil production division, and its downstream assets, which are the best in the business.

One of the things I really like about Suncor is how shareholder friendly its management team is. The company buys back stock as aggressively as possible when shares are cheap. If 2019's buybacks remain at today's levels, Suncor will have repurchased close to 10% of its shares in the last three years alone. And remember, Suncor also offers a 4.3% dividend — a payout that has been increased for 17 consecutive years.

Great Canadian Gaming

Great Canadian Gaming (TSX:GC) is Canada's largest casino operator with 25 properties in British Columbia, Ontario, Nova Scotia, and New Brunswick. The company also just sold its U.S. operations, making it a pure-play Canadian investment.

Great Canadian Gaming has been spending aggressively on improving its recently acquired portfolio of Ontario casinos. This has paid off handsomely with both revenues and earnings approximately 20% higher than the same period last year in the company's most recent quarter.

It is also building a new casino in Pickering, which should start adding to the bottom line in 2020, and it successfully lobbied to keep its Ajax casino open — a location that was slated to be closed by the Ontario provincial government.

Great Canadian Gaming chooses to buy back shares rather than pay a dividend, repurchasing more than four million shares last year. It will likely repurchase a similar amount this year.

Despite all this good news, shares are languishing under $40 each as investors are worried an upcoming recession will hit its casinos hard. It's the perfect time to pick up shares for a long-term investor.

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