



2 Canadian Growth Stocks to Buy in September

Description

It's not easy to pick growth stocks in an environment when growth is coming under pressure globally due to the lingering trade war between the U.S. and China.

But amid this uncertainty, there are still some stocks that long-term investors can consider adding to their portfolios. Here are my two top picks for the month of September.

Air Canada

Air Canada ([TSX:AC](#))(TSX:AC.B) offers all those attractions that a growth investor should look for when investing in a stock. The airline, which is pursuing a [long-term turnaround](#), is well on track to achieve its transformation, and at the same time is benefiting from robust travel demand.

At the end of the second quarter, the airline reported it had already achieved its target of \$250 million in cost savings by year-end. These savings will help the company upgrade its fleet and use the money where it's needed.

With its earnings momentum, the depressed oil prices will continue to help the airline keep its costs down while fuelling demand for the air travel. This external advantage will certainly help Air Canada book higher profit, as the jet fuel cost is a major factor in its bottom line performance.

Air Canada's recent repurchase of the **Aeroplan** loyalty program is another positive catalyst that is keeping analysts excited about its future prospects. Air Canada is also trying to buy one of the country's largest travel tour operators, **Transat A.T.** A combination with Transat represents a great opportunity for the airline to compete with the very best in the world when it comes to leisure travel.

After its more than 70% surge this year, I think Air Canada stock is still a worthy bet to make for 2020.

Brookfield Infrastructure Partners

The Toronto-based **Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)) is in the same league of growth stocks that still have more upside potential. The company has a [unique business model](#) that allows Canadian investors to take exposure to its global infrastructure operations.

BIP owns and operates utilities, transport, energy, and communications infrastructure companies globally. BIP manages a large portfolio of assets spanning five continents.

In a deal announced in July, Brookfield agreed to buy **Genesee & Wyoming Inc.** for about US\$6.3 billion, expanding its global portfolio of rail companies with a 120-line network.

Singapore sovereign wealth fund **GIC Pte** will join Brookfield and other partners in a consortium to manage the rail lines that come with 3,000 customers and a resilient cash flow.

With all these acquisitions in the infrastructure space, the company's main objective is to generate a long-term return of 12 -15% on equity and provide sustainable distributions for investors while targeting annual distribution growth of 5-9%.

When you look at numbers, there is no doubt that the company has been successfully executing its plan. Since 2008, it has delivered compounded annual total returns of 15%.

In 2019, BIP stock has surged 38% and more than 100% in the past five years. With the current growth momentum and the new projects under its umbrella, there is a good probability that this stock will continue to provide hefty returns to investors.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:AC (Air Canada)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

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Author

hanwar

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