



Canadians: 2 of the Best Stocks to Buy Now

Description

This time last year, I'd discussed whether the alcohol space was [recession proof](#). The resilience of alcohol and other "sin" industries has been a source of debate for many decades. However, its performance in this crisis has bolstered its reputation as recession proof. Because of this, today I want to look at two of the best stocks to buy right now.

Best stocks to buy in this crisis

Grocery retailers and other essential services have garnered [justifiable attention](#) for investors in this crisis. Meanwhile, there is still debate over whether alcohol should have been deemed an essential service. One fact is not up for debate: alcohol sales have surged where lockdowns are present across North America.

In Newfoundland and Labrador, total alcohol sales rose 36% in March compared to the previous year. Prince Edward Island saw sales at privately operated "agency" outlets soar 244% in one week. Quebec reported spending increases comparable to the busy holiday season. British Columbia saw over-the-counter sales increase 40% year over year.

The trend is so apparent that it has inspired advisories from public officials. In April, Ottawa Public Health urged Canadians to practice sensible drinking habits. Historically, times of heightened stress and anxiety have led to more alcohol consumption. The COVID-19 pandemic is unique, but there were also reports of increased consumption during the Great Recession.

Below are two alcohol stocks that are worth your attention today.

Andrew Peller

Andrew Peller ([TSX:ADW.A](#)) is an Ontario-based producer and marketer of wine, spirits, and wine-related products. Its shares have climbed 32% month over month as of close on April 24. However, the stock is still down 30% year over year. Andrew Peller has struggled since hitting an all-time high in

March 2018, but it is poised to gain momentum in this environment. It is one of the best stocks to target in this space.

Investors can expect to see its year-end fiscal 2020 results on the afternoon of June 10. The company released its Q3 2020 results on February 12. EBITDA climbed to \$51.8 million compared to \$46.3 million in the prior year. Net earnings also grew to \$24.5 million over \$21.9 million in Q3 2019.

Shares of Andrew Peller last possessed a favourable price-to-earnings ratio (P/E) of 15 and a price-to-book (P/B) value of 1.5. It has delivered solid earnings growth and should receive a boost due to increased sales across the board for the sector. The stock last paid out a quarterly dividend of \$0.0538 per share, representing a 2.5% yield.

Corby Spirit and Wine

Corby Spirit and Wine ([TSX:CSW.A](#)) is a manufacturer, marketer, and importer of spirits and wines. Some of its top brands include Wiser's whiskey, Polar Ice Vodka, and Lot 40 Canadian Whiskey. Shares of Corby have climbed 16% over the past month. Corby has put together a promising string of quarters, making it one of the best stocks to target right now.

This company also released its second-quarter 2020 results on February 12. Net earnings rose 14% year over year to \$7.8 million, or \$0.28 per share. Corby's key brands managed to outpace its industry peers in the whisky and super-premium gin categories and in the very competitive vodka category. The company has made promising inroads in these areas in recent quarters.

Shares of Corby last had a P/E ratio of 17 and a P/B value of 2.7. The company currently boasts an immaculate balance sheet. Moreover, the stock currently offers a quarterly distribution of \$0.22 per share. This represents a strong 5.4% yield.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ADW.A (Andrew Peller Limited)
2. TSX:CSW.A (Corby Spirit and Wine Limited)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Dividend Stocks

2. Investing

Date

2025/07/02

Date Created

2020/04/27

Author

aocallaghan

default watermark

default watermark