



3 Stocks Set to Skyrocket After the Lockdown Is Over

Description

A few months into the lockdown, we're past the initial panic caused by the pandemic. Industries like hotels and airlines may have a long way to go before they can see any chance of recovery. Even [after the pandemic ends](#), the coronavirus leave its effects on the industries.

To this end, today I'm going to discuss **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)), **Alimentation Couche-Tard** (TSX:ATD.B) and **Canadian Tire** ([TSX:CTC.A](#)). I think that these three **TSX** stocks can come roaring out of the gates once the lockdown is over.

Restaurant giant

If you believe that people will want to start dining at their favorite restaurants again once the lockdown is over, Restaurant Brands International could be a top pick. It is perhaps one of the biggest names in the fast-food industry, with names like Popeyes, Tim Hortons, and Burger King under its belt.

Testaurants will likely continue to experience losses for a while, even after the lockdown ends. However, having stayed at home for such a long time, people might have more motivation to eat at their favourite restaurants so they can enjoy something other than homemade food.

Restaurants offer consumers what economists call "inferior goods" that they can buy in times of traditional recessions. These low-cost options for meals can be preferable for many consumers. However, this recession is unlike any that we've seen before.

We could see an increase in sales for the likes of Burger King, Tim Hortons, and Popeyes as the lockdown ends since burger-eating and coffee-drinking habits are unlikely to change.

At writing, QSR is trading for \$71.54 per share. The stock is down by 31% from its 52-week high, but it has already recovered 76% of its value after falling to \$36.48 per share. It has a dividend yield of 4.09% at its current price.

Convenience store kingpin

Alimentation Couche-Tard recently walked away from its bid on Caltex Australia – a brave move and one that might fall out of favour with long-term investors during these challenging times. The managers working at the company have a reputation for creating excellent acquisitions that seem impressive to short-term investors.

Amid the pandemic, however, most companies are struggling with liquidity. Couche requires significant liquidity to work through the current market downturn. By backing out of the deal to acquire Caltex Australia, it has effectively managed to retain its impressive amount of cash in hand.

The company might even use this downturn as an opportunity to make high-quality acquisitions at a discount with all the money it has.

At writing, the stock is trading for \$40.40 per share. It is down just 3.56% from its share prices at the start of 2020. The company has an impressive mergers and acquisitions track record in recent years. With its healthy cash in hand, it could acquire a struggling competitor at a bargain to see itself soar after the lockdown.

Battered retailer

Canadian Tire has always been a top retail stock for the growth prospects it offers. However, the pandemic has beaten down this stock into a difficult position. The retail sector is no stranger to disruptions, and most retail companies have been moving sales to the online realm to get a competitive edge.

The COVID-19 lockdown has led to companies that might not have been considering online sales a try as that is the only environment that businesses can operate right now. Canadian Tire has been investing in its e-commerce business for several years, and its e-commerce platform can help the business succeed in driving sales.

At writing, Canadian Tire is down 32% from the start of the year, trading for \$94.82 per share. Its 4.80% dividend yield is also quite attractive right now.

As the pandemic ends, CTC could show better recovery due to its improved operations through its e-commerce platform.

Foolish takeaway

Alimentation, Canadian Tire, and Restaurant Brands stocks hold the potential for a speedier recovery once the pandemic ends. It could be worth your while adding the stocks to your investment portfolio while the [prices are low](#).

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2. TSX:CTC.A (Canadian Tire Corporation, Limited)
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