TFSA Investors: 3 Discounted Growth Stocks Might Recover Your Losses

Description

A lot of investors might be wary of growth stocks right now. A lot of amazing growth stocks have suffered in the recent market crash, and not all of them have recovered quite as swiftly as others. But if you want to make up for the losses you incurred in this market crash (especially if you sold your stake at rock-bottom valuations), a smart way is to add some growth back to the portfolio.

From a safety perspective, I have chosen all three growth stocks from among the Aristocrats. If nothing else, they can augment your portfolio's dividend payouts and growth.

A defensive stock

To be fair, **Alimentation Couche-Tard** (TSX:ATD.B) stock has almost recovered its year-to-date price but is still trading 12% below its yearly high price. At $40.4 per share, this Aristocrat might still be a bargain. The company has a geographically diversified footprint: it has 15,000 stores in several countries in the world. The main brands it operates under are Couche-Tard, Circle K, and Ingo.

As an Aristocrat, it has grown its payouts for 10 years straight. Its dividend-growth rate is also very attractive; it's been over 100% in the past five years. The payout ratio is very stable at 10.2%. It offers a decent return on equity of 21.8%. The company has grown its stock price by over 90% in the past five years before the crash.

It's not an explosively growing stock, but combined with a decent dividend streak, this stock can really boost your portfolio's performance. The current yield is not as flattering, however, at merely 0.69%.

A food company

Premium Brands Holdings (TSX:PBH) is a specialty food manufacturing and holding company with customers/clients all over the country and in the United States. The company owns several brands, divided into two categories, premium food distribution, and specialty products. It has over 61 operating facilities in North America. Strategic acquisitions have been one of the company's primary growth policies.

As a Dividend Aristocrat, the company has increased its dividends for seven consecutive years. The five-year dividend growth has been about 52%, and dividend-adjusted returns have been about 197% for the same period. Its 10-year CAGR comes out to an impressive number of 25.5%. At this pace, the company can double your capital in under four years.

Currently, the company is trading at $83.3 per share, almost 18.5% down from its yearly high value. The yield is at 2.71%, but the payout ratio seems a bit dangerous at 90.82%.

An industrial giant

TFI International is a transport and logistics company based in Montreal. This $3.71 billion market cap company has an e-commerce network spanning across 80 cities in the country, the U.S., and Mexico. TFI has over 80 operating companies working under its banner and over 390 facilities to its name. Package and courier, less-than-truckload, truck-load, and logistics are the four major solutions that the company provides.

It does not a very steady growth stock; it's more of a cyclical one. Still, it returned over 52% to its investors in the past five years. The return on equity is down from the last quarter, but it's still at 20%. The yield is decent enough at 2.74%, and payouts grew by about 53% in the past five years. The payout ratio is stable at 25.38%.

Foolish takeaway

Dividend Aristocrats, especially ones that are unlikely to slash or stop their dividend payouts altogether, offer a great way to create a passive-income investment portfolio. But if the stocks are fair growers, you can expect a decent-sized nest egg resulting from the capital gains from these Aristocrats.

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adamothman