$3,000 Invested in These TSX Stocks Could Make You Rich in 10 Years

Description

When this week started, I'd explored how Canadians with some extra cash may want to invest in July. In a previous article, I'd looked at three TSX stocks in the healthcare space. Today, I want to look at three more stocks that operate in so-called sin industries — in this case, alcohol, cannabis, and casino gaming. A $1,000 investment in each of these stocks has the potential to be worth much more in a decade's time. Let's jump in.

One TSX stock that offers income and a shot at growth

Corby Spirit and Wine (TSX:CSW.A) was one TSX stock that I'd recommended in late April. Shares of Corby Spirit and Wine have climbed 9.3% in 2020 as of close on July 20. Alcohol sales have surged during the COVID-19 pandemic. Corby is a strong player in this promising market.

The company released its third-quarter fiscal 2020 results on May 13. Revenue increased 7% year over year to $33.1 million, and earnings from operations posted 19% growth to $6.9 million. Some of the best-performing brands in Q3 FY 2020 included Polar Ice Vodka, Lamb's rum, and Mixable Liqueurs, all of which saw shipments changes of 10% or more. In the year-to-date period, its Ungava Spirits Brands has led the way with retail sales growth of 23%.

Shares of this TSX stock last possessed a favourable price-to-earnings (P/E) ratio of 17 and a price-to-book (P/B) value of 2.7. The company boasts a flawless balance sheet and last announced a quarterly dividend of $0.20 per share. This represents a solid 4.8% yield.

Don't count out this cannabis stock yet

Cannabis stocks have been disappointing in 2020, reflecting the state of the broader industry in Canada. However, **Aphria** is one top producer that has managed to buck the trend. This TSX stock has increased 3.1% in 2020. Shares have climbed 45% over the past three months.

Investors can expect to see the company's fourth-quarter and full-year results for fiscal 2020 on July

29. In Q3 FY 2020, Aphria posted net cannabis revenue growth of 65%. Meanwhile, it achieved its fourth consecutive quarter of positive adjusted EBITDA. This puts it in elite company among the top producers.

This TSX stock will rebound in the 2020s

The COVID-19 pandemic has wreaked havoc on the hospitality industry. **Great Canadian Gaming** (TSX:GC) operates as a gaming and entertainment company in Canada. Predictably, this TSX stock has suffered, as activity at its gaming properties has ceased. Shares have dropped 37% in 2020 so far.

In Q1 2020, the company saw revenues drop 10% year over year to $273.8 million. Adjusted EBITDA fell 6% to $103 million. Fortunately, casinos are starting to reopen across Canada. Great Canadian Gaming may be forced to shake up its operations, as some have suggested a shift to cashless gambling. This would require a sizable investment in its digital capabilities.

Casinos are profit machines, which is why I still love Great Canadian Gaming in the long term. The COVID-19 pandemic will put a wrench in its near-term plans, but it should still gain massively from its recent GTA Bundle win. Better yet, the stock last possessed a very favourable P/E ratio of 7.4. This is a great growth stock to scoop up in the summer for the long haul.

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aocallaghan