



COVID-19 Vaccine: 3 TSX Stocks That Can Explode

Description

The tumultuous aftermath of the United States presidential election managed to gobble up most of the headlines over the past week. On Monday, investors and onlookers were welcomed with encouraging news that beat out the political drama. **Pfizer** unveiled data that showed its vaccine candidate had demonstrated 90% effectiveness in removing COVID-19 from those infected. North American markets soared on the news. Today, I want to look at three TSX stocks that could explode in the coming weeks and months if Pfizer's vaccine is able to meet our lofty expectations.

Can a COVID-19 vaccine rescue this TSX stock and an industry on the brink?

One would be hard-pressed to find an industry that has been hit harder by the COVID-19 pandemic than the movie theatre business. **Cineplex** ([TSX:CGX](#)) possesses the largest movie theatre operation in Canada. Shares of this TSX stock have plunged 78% in 2020. However, the stock jumped 31% on November 9.

Earlier this month, I'd discussed whether Cineplex could survive this existential threat to the cinema industry. At the time, I'd suggested it may [need a miracle](#). A highly effective vaccine that achieves mass distribution in Canada by the spring of 2021 would come pretty darn close.

Unfortunately, the cinema industry will not be out of the fire, even if the pandemic were to disappear tomorrow. It was already facing major challenges due to the rise of home entertainment alternatives. The pandemic has likely driven even more consumers away from traditional movie theatres. I will cheer on the comeback for the movie theatre industry, but I'm still staying away from this TSX stock right now.

Restaurants of all stripes will cheer a return to normal

The COVID-19 pandemic [forced restaurants to close](#) all over the world in 2020. **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) had to wrestle with this new reality, but fast-food chains have

been much more fortunate than many other restaurants during this crisis. This TSX stock rose 7.6% on November 9. The company had shown promising signs of a rebound following its Q3 2020 earnings release.

In the third quarter of 2020, RBI generated over 94% of prior-year system-wide sales with over 96% of its restaurants open globally as of September. Moreover, it reported a significant jump in cash flow from operations in the quarter. The digitalization push at its brand locations has the potential to enhance profitability in the years ahead. This potential vaccine is even more good news for RBI right now.

Shares of this TSX stock last had a price-to-earnings (P/E) ratio of 31, which is about average for the industry. RBI also offers a quarterly dividend of \$52 per share, representing a 3.6% yield.

This sin TSX stock is one to watch if a COVID-19 vaccine arrives in the months ahead

Great Canadian Gaming (TSX:GC) is the final TSX stock I want to look at today. This company operates in the gaming, entertainment, and hospitality space. All three have taken a hit during this pandemic. Shares of Great Canadian Gaming jumped 17% on November 9. It draws its strength from its stable of casinos across Canada. The return of foot traffic to these profit machines will make this growth stock a must-own once again.

It is expected to release its third-quarter 2020 results today. The TSX stock last had a favourable P/E ratio of 19. Moreover, it is still sitting on the very promising GTA Bundle that it won several years ago. Investors should be eager to jump on this TSX stock that is trading near a 52-week low.

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