3 Powerful TSX Stocks To Buy Before April

Description

If 2020 was a year for recovery, 2021 might well be a year of growth. Investors are optimistic, and the **TSX** has been growing at a steady rate. Even the energy sector, which was bringing down the TSX in 2020, thanks to its sheer weight, was doing relatively fine up until two weeks ago.

Many of the stocks have already recovered their pre-pandemic valuations and are now soaring to new heights. But many are still "on their way" to proper recovery, and these are the stocks you might consider buying before April or lose the valuation/price discount that the 2020 market crash offered.

A financial services company

Sun Life Financial (TSX:SLF)(NYSE:SLF) is a financial company that offers investments, asset management, insurance products, and financial advisory services to Canadians. This Toronto-based company has a market capitalization of $36.9 billion.

Sun Life is also a Dividend Aristocrat and currently offers a modest yield of 3.59%. The company has grown 64% in the last 12 months and has almost recovered its pre-pandemic valuation. But the share price is still 3.7% down, and the price-to-earnings is at 15. If you believe that the company will recover and go past its pre-pandemic peak soon, it might be time to lock in this yield and buy when it is still reasonably valued.

A retirement residence company

Chartwell Retirement Residences (TSX:CSH.UN) is in the niche market of retirement residences. The company owns and operates 198 places, comprising over 30,000 individual suites. The occupancy rate of 82.2% might seem low compared to other residential or commercial REITs, but it might not be that low for retirement residences.

The company still has a long way to go to even reach near its pre-crash valuation, but the company was never a good growth bet anyway. It's a decent dividend stock, though, and is currently offering a juicy 5.5% yield. It is a Dividend Aristocrat. If you are considering adding this relatively stable dividend stock to your portfolio, you might consider buying soon, when you can still lock-in a lucrative yield.

A railway company

One company has recovered its pre-crash valuation months ago, but if you don't have it in your portfolio yet, you might be missing out on the great growth opportunity it offers. The **Canadian Pacific Railway** (TSX:CP)(NYSE:CP) is one of the most consistently growing stocks in the transportation sector. It has a 10-year CAGR of about 23.5%, and the company has grown its market value by about 2,881% in the last 20 years.

And the best part is that this fantastic growth stock is not *too* overvalued. It *is* overvalued, just not too much. It has a price-to-earnings of 25 .5 and a price-to-book of 8.3 times. It's also a Dividend Aristocrat. There is relatively limited competition in the railway industry, and CP, with its market capitalization of $59 billion, is one of the few major players in this industry.

Foolish takeaway

When you are trying to buy recovering stock, it's usually a good idea to try and act as soon as possible or lose the chance to buy low. When you are looking for soaring stocks, it might be prudent to wait for a dip, so you buy at a relatively attractive price. But the problem is that some growth stocks are very consistent in their growth, and if you wait too long, they might keep getting expensive over time.

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2. TSX:CP (Canadian Pacific Railway)
3. TSX:CSH.UN (Chartwell Retirement Residences)
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Date
2025/08/24
Date Created
2021/03/24
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