



3 TSX Stocks to Buy in This Super Sector

Description

The COVID-19 pandemic has reshaped many of our habits over the past year. Alcohol consumption has increased significantly in North America and across the developed world during this crisis. This industry is geared up for solid growth over the course of the 2020s. Today, I want to look at three of the best TSX stocks to snag in this sector.

Here's why I'm buying this beer stock in the spring

Waterloo Brewing (TSX:WBR) is engaged in the production, distribution, and sale of alcohol-based products. Its shares have climbed 7.5% in 2021 as of late-morning trading on March 26. The stock is up over 140% from the prior year. The company released its third-quarter 2020 results on December 10.

Net revenue in the year-to-date period increased 36% from the prior year to \$62.2 million. EBITDA rose 38% to \$11.9 million. Waterloo Brewing reported strong performances across its brands in its most recent quarter. Meanwhile, it also continued to benefit from the expansion of the grocery channel. Investors can expect to see its final batch of 2020 results in the spring.

Canadians who want exposure to Waterloo's booming business should snag this TSX stock today. It also offers a quarterly dividend of \$0.028 per share. That represents a modest 1.7% yield.

This TSX stock is a champion in the alcohol sector

Beer was once the top dog in the alcohol space in North America. However, its market share has waned, as younger generations are more inclined towards wine and spirits. **Corby Spirit and Wine** ([TSX:CSW.A](#)) manufactures, markets, and imports spirits and wines. Its shares have climbed 21% from the prior year at the time of this writing. I'd suggested that investors [should pick up](#) this TSX stock in January.

The company reported its second-quarter fiscal 2021 results in early February. Revenues in the year-

to-date period has increased 4% from the prior year. Meanwhile, net earnings have grown 30% in the first half of FY2021 to \$18.7 million.

Corby stock last possessed a favourable price-to-earnings (P/E) ratio of 15. Moreover, this TSX stock offers a quarterly dividend of \$0.21 per share. This represents a solid 4.8% yield.

One more TSX stock to buy that sells alcohol and cannabis

Alcanna (TSX:CLIQ) is a player in the alcohol and cannabis space. Consumption of the latter has also jumped during the pandemic. Canada got off to a slow start with its cannabis retail rollout. However, provinces like Ontario have managed to bolster their brick-and-mortar footprint since recreational legalization in 2018. I'd [recommended](#) that investors pick up this TSX stock back in 2019.

The company is engaged in alcohol and cannabis retail. Its shares have climbed 25% in 2021 as of early afternoon trading on March 26. The stock has surged 300% from the prior year. It released its final batch of 2020 results on March 25. Same-store sales from continuing operations rose 7.6% and profit before income taxes hit \$1.5 million — up from a \$20.1 million loss in Q4 2019.

Shares of Alcanna still offer a solid P/E ratio of 23. Alcanna has a long way to go to achieve consistent profitability as it forges ahead in the cannabis space.

CATEGORY

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