



## Today's Top Buy: Restaurant Brands

### Description

The pandemic has wreaked havoc on some sectors more than others this past year. Indeed, optimistic sentiment today has driven a number of stocks higher on reopening sentiment.

That said, it appears investors still believe restaurants and fast-food stocks still have a long way to go. Stocks like **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) remain well below pre-pandemic peaks, despite many companies breaching new all-time highs of late.

But don't worry.

I think Restaurant Brands is [well positioned](#) to get back to its growth ways. Here's why.

### Tremendous long-term growth potential

Tim Hortons remains a staple for Canadian consumers and Restaurant Brands investors. That said, the largest banner of Restaurant Brands has underperformed significantly during the pandemic.

There are a number of reasons for this. However, it's well known that commuting to the office hasn't fully returned to normal. Picking up that Double-Double on the way to the hockey rink or a soccer game also isn't in the cards right now. The pandemic-induced restrictions imposed on in-restaurant dining throughout the pandemic have further limited Tim Hortons's results of late.

That said, there's room to be optimistic with Restaurant Brands stock right now. If vaccine rollouts prove effective, and a return to normal really is right around the corner, QSR stock should do very well.

Additionally, the company's other banners are doing very well right now. Here's more on this catalyst that I'd suggest investors focus on today.

### Brand value a key catalyst

Canadian investors must keep in mind that Restaurant Brands is more than just the owner of Tim

Hortons. Indeed, Restaurant Brands also holds iconic banners Burger King and Popeyes Louisiana Kitchen as well. These brands have incredible customer loyalty and are among the most well-recognized fast-food banners around the world.

Indeed, I view Restaurant Brands's portfolio as one of the most insulated in the industry. Its diversified portfolio of high-quality banners ought to be the envy of investors in this space. This is a primary driver of what I view as a relatively large moat for this company right now.

Additionally, I think investors should focus on the international growth Restaurant Brands is likely to see across its portfolio of banners in growth markets such as Asia long term. As the global economy reopens, Restaurant Brands will be a key beneficiary of loosening restrictions. Rents are cheaper than they have been in some time, and, in many ways, the growth story with Restaurant Brands has been revitalized as a result of the pandemic.

## Bottom line

Investors seeking a pandemic reopening play have a great one in Restaurant Brands stock right now.

Indeed, I think QSR is one of the highest-quality growth options on the TSX. Today, this stock trades at a reasonable discount based on its long-term growth prospects due to the pandemic. There's lots of room to run for this stock over the long term, and investors would do well to consider this stock today.

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1. Dividend Stocks
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### TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:QSR (Restaurant Brands International Inc.)

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