



## 2 Great Canadian Stocks With Huge Upside Potential

### Description

The recent market melt-up has made [bargains](#) fewer and farther between.

With the Warren Buffett indicator (which divides the U.S. market cap by its gross domestic product) implying that stocks are overvalued, it definitely seems tempting to wait for the next inevitable correction before getting in. Market inflows have been unprecedented, and while I do think the odds of a correction or two by year's end is high, most investors would be better served by systematically investing in the markets over time, with little regard for what they think Mr. Market will be up to next.

In this piece, we'll have a closer look at three great Canadian stocks with what I view as huge upside potential over the next 18 months. I view each name as a bargain hiding in plain sight. Each name is buyable right now, even as the **TSX Index** continues its ascent to new highs. So, if you find you've got way too much dry powder that's acting like a sitting duck waiting for inflation to shoot it down, consider **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) and **Boyd Group** ([TSX:BYD](#)).

### A golden opportunity for those seeking huge upside potential

Barrick Gold is a top-notch gold miner that's been under considerable pressure in recent months. Gold prices have taken a major hit, tumbling from above US\$2,000 to below US\$1,700, thanks in part to the continued rise of Bitcoin, cryptocurrencies, and other gold-like alternative assets that young investors have been piling into. Once the Bitcoin bubble bursts (I do think it's a bubble), gold could shine once again after almost a year of losing its lustre with investors.

Barrick is a best-in-breed miner with some of the best managers in show. If gold surges past US\$2,000 again, Barrick stock is likely to follow with amplified upside potential. And if Bitcoin does go bust this year, I wouldn't at all be surprised to see gold prices and Barrick stock make an all-time high as funds flow out of crypto and back into the gold market.

Today, Barrick stock is off nearly 30% from its high. It's a long way from the top, but I do think \$40 per share (implying a +40% rally) wouldn't be out of the ordinary in a bull-case scenario. In the meantime, gold bugs can collect Barrick stock's juicy 1.7%-yielding dividend while they wait for gold to shine again.

## Ready to roar in a post-COVID world

Body Group is the firm behind one of North America's largest chains of auto repair shops. The company was firing on all cylinders up until the coronavirus crisis struck. Since then, Boyd stock has been feeling the pressure, with its stock imploding 40% from peak to trough before climbing back to its pre-pandemic high, where the stock currently sits today.

At \$226 and change, Boyd is essentially where it was before the coronavirus crash. Although shares are no longer the same steal they were a year ago, I still think there's ample value and upside potential to be had, as the economy reopens, possibly for good this time. As more vaccines are given in arms, more people will be headed back to work. More people commuting to work again means more cars on the road. That means more accidents and more business for Boyd.

Fellow Fool Jed Lloren views Boyd as a [dividend all-star](#) for having hiked its payout for 13 straight years. Lloren also noted that Boyd had been one of Canada's fastest-growing firms over the past few years. Once the pandemic ends, I suspect Boyd will be in a spot to make up for lost time. As such, upside-seeking investors should look to add to a stake here before they have a chance to break out to new heights.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)
3. TSX:BYD (Boyd Group Income Fund)

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