



## Got \$1,000? Buy These 4 Canadian Stocks to Earn Superior Returns in 2021

### Description

Investors' optimism over demand recovery and higher corporate earnings have boosted the Canadian equity markets this year. Amid improved investors' sentiments, here are the four Canadian stocks that can outperform the broader equity markets this year.

#### goeasy

**goeasy** ([TSX:GSY](#)), which services sub-prime customers, has returned 49.2% this year, outperforming the broader equity markets. Its [impressive fourth-quarter performance](#) and upbeat guidance for the next three years have driven its stock price higher. Meanwhile, the uptrend could continue, as the improvement in economic activities amid the ongoing vaccination drive and economic expansion could increase the demand for the company's services.

Its new product launches, penetration into newer markets, and underserved sub-prime markets offer high-growth prospects. Meanwhile, the acquisition of LendCare Holdings could be a significant growth driver, as it would expand the company's product range and point-of-sale distribution platform. The company has also strengthened its financial position by raising funds through new equity offerings and debt facilities. The company pays dividends at a forward yield of 1.8%.

#### Savaria

My second pick would be **Savaria** ([TSX:SIS](#)), which has returned over 26% this year. Its solid fourth-quarter performance and the completion of the acquisition of Handicare Group drove the company's stock price higher. Amid the rising aging population, the demand for accessibility solutions could only increase, benefitting the company.

Along with expanding its geographical footprint, the acquisition of Handicare would improve product innovation, efficient production, and cross-selling opportunities for Savaria. Despite the increase in its stock price, Savaria still trades at an attractive valuation, with its forward price-to-sales standing at 1.9%. The company also pays a monthly dividend of \$0.04 per share, representing a forward dividend

yield of 2.6%. So, given its high-growth prospects, attractive valuation, and healthy dividend yield, [I am bullish on Savaria](#).

## Suncor Energy

Oil prices have rebounded strongly from last year's lows amid the expectation of improvement in economic activities. Higher oil prices are advantageous for oil-producing companies, such as **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)), trading 21% higher for this year. Despite the rise, its valuation still looks attractive, with its price-to-book and forward price-to-earnings standing at 1.1 and 1.2, respectively.

Meanwhile, industry experts expect oil prices to remain at higher levels for the rest of this year. Further, Suncor Energy's management expects its production and refinery utilization rate to improve this year, while its production cost could fall. Amid higher oil prices, increased production, and lower expenses, the company could deliver strong performance in the coming quarter, boosting its stock price. Suncor Energy also pays quarterly dividends, with its forward dividend yield currently standing at 3.2%.

## Lightspeed POS

My final pick would be **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). After delivering impressive returns of close to 150% last year, the company is under pressure this year, with its stock price trading 4% lower. However, the shift towards the omnichannel selling model and increased online shopping have created a long-term growth potential for the company.

Further, its innovative product pipeline, growing customer base, and acquisitions offer high growth prospects. Over the last few months, the company has acquired ShopKeep, Upserve, and Vend. These acquisitions have expanded its geographical footprint and also increased its customer base to 135,000. Lightspeed POS has also reinforced its financial position by raising around US\$676 million through new equity offerings, which could fund its growth initiatives and future acquisitions. Further, the company earns over 90% of its revenue from recurring sources, which is encouraging.

### CATEGORY

1. Bank Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:SIS (Savaria Corporation)
6. TSX:SU (Suncor Energy Inc.)

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