



## Here Are 3 Top Canadian Stock Picks to Buy in May 2021

### Description

With Canadian stock markets absolutely roaring full steam ahead in 2021, it can be tough knowing where to put your next investment. Certainly, we are entering a historically weaker time in the stock markets. The old phrase, [“sell in May and go away”](#) might ring true, but it may not as well.

If you are investing with a long time horizon (over three years), it doesn't really matter. Just look out for solid companies that have good balance sheets, reliable management (i.e., they do what they say they will do), and strong long-term prospects.

This simple formula has worked for some of the world's greatest investors, and I think it can work for you. Considering this, here are three top Canadian stocks I think are a some great ideas for your portfolio in May 2021.

### A Canadian growth stock

**Telus International** ([TSX:TIXT](#))([NYSE:TIXT](#)) is a really intriguing [growth stock](#). It provides industry-leading digital customer experience solutions. These solutions are catered for key growth segments like e-commerce, artificial intelligence, data management/analytics, gaming and media.

It only IPO'd in February. However, this Canadian stock is still trading 8% below the highs it made in its first trading days. Certainly, this stock is not cheap. It trades with a price to sales of six times and an enterprise value to EBITDA of 33 times.

Yet the company is growing rapidly (55% revenue growth in 2020). Unlike many peers, it is actually profitable and producing ample free cash flows. For a well-established growth business with lots of opportunities ahead, this Canadian stock is one of my favourites.

### A Canadian green energy stock

For a bet on a renewable future, **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) looks



attractive. This Canadian stock had an enormous run in 2020. This pushed its short-term valuation beyond what is justified. Today, the stock is actually down 22% since its February high. I think this presents a very good buying opportunity for the long run.

Brookfield is one of the largest publicly listed pure-play renewable power businesses in the world. It has a large portfolio of very attractive hydro, wind, and solar assets that enable it to garner a higher-than-average market multiple.

This company has a very attractive growth pipeline. It is expecting to more than double its power capacity over the next decade. The company targets annual total returns of 12-15%. The stock pays a decent 3.2% dividend. Collect these solid dividends while you wait for its green power strategy to unfold over the next five, 10, and 20 years.

## A play on e-commerce growth

**Intertape Polymer Group** ([TSX:ITP](#)) has a multi-edged sword in its investment thesis. Firstly, this Canadian stock is relatively cheap. It only trades with a forward price to earnings of 15 times. With markets touching all-time highs, this is a refreshing opportunity.

Secondly, ITP is a great play on e-commerce growth across the world. It manufactures and distributes tapes, wrapping, and packaging products. Last year, the company had one of its best years ever. This was based on strong demand in e-commerce and the building industry.

Thirdly, management has been building up its manufacturing capacity while reducing costs. Consequently, it earns very strong margins and great free cash flows today. This stock will continue to benefit from the broader economic recovery out of the pandemic. It has product lines in various sectors. As a result, business could be booming on multiple fronts for the foreseeable future. Not to mention that this Canadian stock pays a nice 2.8% dividend.

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1. Dividend Stocks
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### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:TIXT (Telus International)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:ITP (Intertape Polymer Group)
5. TSX:TIXT (Telus International)



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