



3 Canadian Stocks to Buy Ahead of a 1-Shot Summer

Description

Canadian Prime Minister Justin Trudeau recently announced the plan for the pandemic for summer 2021. Trudeau stated that the goal is to have a “one-shot summer,” where at least 75% of Canadians will have received the first dose of the COVID-19 vaccine. And it’s not just the health of Canadians that will be helped by this announcement, but also Canadian stocks.

Should a one-shot summer happen, this may lead to a drastic decrease in COVID-19 cases (though it’s debatable about the variants). If that’s the case, there could be a massive reduction of restrictions, and that includes on the market.

Canadian stocks that have been waiting on the sidelines for these restrictions to go away could soar during this summer. If that’s the case, now is the time to buy. Here are three to consider.

Energetic stocks

The energy sector has already started to rebound ahead of a one-shot summer. This area in particular will see an enormous boost from commuter traffic and travel between provinces, among other gas usage. The increased demand is exactly what the energy sector and **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) has been waiting for.

Pembina saw a drastic reduction in oil and gas shipment because of the glut in production in Canada and around the world. But the company has a number of growth projects coming down the pipeline to not only keep growth going, but also to make up for the glut in production. Meanwhile, it has long-term contracts that will see cash flowing in for years from Canadian stocks like Pembina.

This summer, with an increase in demand, the company’s share price should surge. Shares are already up 24% in the last year alone, and the company offers a solid 6.64% [dividend](#) yield. Yet it’s still a value stock trading at 1.8 times book value as of writing.

Canadian stocks to soar higher

Then there's the glut in air travel. Consumers have been paying down debt and saving money during this pandemic. Now, economists believe there will be a renewed Roaring Twenties in the next decade. The first place we could see that spending is air travel.

Companies like **Air Canada** ([TSX:AC](#)) are likely to see a surge in air travel demand over the next year with everyone wanting to travel, for business and pleasure. A one-shot summer could mean a huge reduction in travel restrictions, which is exactly what Air Canada stock has been [waiting](#) for.

If that's the case, Canadian stocks like Air Canada are a steal right now. In the last year, shares of Air Canada stock have grown 50%, but have stabilized while investors wait for more travel restrictions to drop. Meanwhile, it remains of value trading at 3.1 times sales.

Eat these stocks up

Finally, that increase in travel both in the air and on the ground is great news for a company like **Alimentation Couche-Tard** ([TSX:ATD.B](#)). The company may be known for its Circle K locations in Canada, but it operates around the world. The retail company has thousands of locations for consumers to spend money while they travel on necessary and not-so-necessary items.

Revenue plummeted during the pandemic, but Canadian stocks like this one remained stable. More than that, it actually used the downturn to make significant investments. This was a passing situation that would one day be over, and management realized that. It chose that opportunity to invest in several revenue-makers that will see investor shares soar.

Yet again, the company is a steal trading at three times book value, with shares stable in the last year. If you're looking for Canadian stocks set to soar, then this is definitely one of the first you should consider adding to your watch list.

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