



3 Top Canadian Stocks to Buy After a Blowout Earnings Season

Description

After more than a year of a pandemic and the economy recovering for a while now, we are starting to see signs of life in financial markets after the pandemic. Several top Canadian stocks posted blowout earnings last quarter, creating a tonne of buying opportunities for investors.

Although there are hardly any stocks left to buy for recovery potential, many of these stocks reporting impressive earnings lately show how much opportunity they offer for growth over the long run.

Of course, a lot of the comparable numbers will be strong, given that this time last year was the beginning of the pandemic. However, even guidance from most companies has been strong and optimistic, offering huge prospects for growth over the coming years.

So, without further ado, here are the top three Canadian stocks to buy after blowing out earnings.

A top green energy stock

One of the top stocks in Canada to buy now is **Northland Power** ([TSX:NPI](#)). Northland actually had some mixed results in its recent earnings report. So, why is it one of the top Canadian stocks to buy after earnings? Because of its incredible growth potential as well as the impressive discount investors can get buying shares today.

Northland Power is one of Canada's top [green energy stocks](#), an industry that's perfect for long-term investments. The stock has sold off lately, as valuations in the sector have come down a bit.

However, Northland was never that overpriced to begin with. And in my view, whatever growth premium it has, it deserves.

The stock has been one of the best [growth stocks](#) in green energy in the past and has one of the most aggressive strategies for the future.

That's why I think, with its recent reiteration of guidance and current discount in the stock price, it's one

of the top Canadian stocks to buy now.

There are plenty of stocks and industries to be invested in for the long term. However, without a doubt, green energy is one of the best.

A top value real estate stock

Just as Northland's discount is creating an opportunity, so is the discount in **First Capital REIT** ([TSX:FCR.UN](#)) units.

The key is that these stocks aren't just [undervalued](#); they should also be high-quality stocks. That's what makes them some of the top Canadian stocks to buy now.

In First Capital's case, its stock was sold off massively through the pandemic, as the fund owns a tonne of retail real estate assets.

Of course, retail real estate has been significantly impacted by the pandemic. However, First Capital's portfolio is so robust, the biggest impact on the revenue it saw during the pandemic was just an 18% hit to its sales.

An 18% decline is never something you want, but given how badly some of its peers were impacted and how badly First Capital stock was sold off, it shows how resilient First Capital's operations are.

That's why I think it's one of the top Canadian stocks to buy now. I wouldn't wait long, though. The stock is already up 30% year to date.

A top Canadian energy stock to buy now

Lastly, **Freehold Royalties** ([TSX:FRU](#)) is one of the hottest Canadian stocks of the year and one of the best to buy now, especially for [dividend investors](#).

The company owns tonnes of interests in the [energy industry](#), which not only makes it a high-quality royalty stock; it also reduces the risk for investors.

Rather than buying a single company that produces energy itself, an investment in Freehold is more of an investment in the entire industry's growth.

Having interests and collecting royalties from tonnes of different companies means you don't have to rely on a single producer. This reduces risk considerably.

All investors want to see are energy prices increasing over the long term, which will lead to more production volume. That's exactly what's been going on in the industry the last six months, which is why Freehold has been one of the top stocks in Canada.

The stock has been rallying rapidly as the sector recovers. That's why Freehold is one of the top Canadian stocks to buy now. Year to date, it's up 85%, and over the last six months, it's gained 111%.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:FCR.UN (First Capital Real Estate Investment Trust)
2. TSX:FRU (Freehold Royalties Ltd.)
3. TSX:NPI (Northland Power Inc.)

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