



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

### Description

The Canadian equity markets have been volatile in the last few weeks. The expectation of demand recovery and economic expansions have increased investors' optimism. However, the worsening COVID-19 crisis in Asia and rising inflation are a cause of concern. Despite the volatility, here are four Canadian stocks that you can buy right now to earn superior returns this year.

### Suncor Energy

Oil prices have bounced back strongly amid the improving demand, driving **Suncor Energy's** ([TSX:SU](#))([NYSE:SU](#)) stock price higher by around 30% for this year. Meanwhile, the uptrend in the company's stock price could continue. The expansion of vaccination could prompt governments worldwide to lift restrictions, driving economic activities, and in turn, potentially boosting the demand for oil and refined oil products. Given its integrated business model, Suncor Energy is well positioned to benefit from this expansion.

Meanwhile, the company's management expects its production and downstream asset utilization rate to improve this year, while the operating expenses could fall. So, the improving operating metrics and higher realization price could drive the company's financials in the coming quarters. Besides, its valuation also looks attractive, with its forward price-to-sales and forward price-to-earnings multiples standing at 1.2 and 16.2, respectively.

### goeasy

**goeasy** ([TSX:GSY](#)) has returned over 50% this year, comfortably outperforming the broader equity market. Its impressive performance in the last two quarters has caused the company's stock price to rise. Meanwhile, I believe the uptrend could continue as the improvement in economic activities amid gradual reopening could increase loan origination.

Despite delivering strong growth over the last 20 years, goeasy has acquired a lower than 3% of its addressable market. So, it has significant scope for expansion. It focuses on launching innovative

products, entering new markets, and improving customers' experience to expand its market share. Its recent acquisition of **LendCare Holdings** would add new industry verticals and boost its growth in the consumer credit market. Besides, goeasy has rewarded its shareholders by raising its dividends at a CAGR of 34% over the last seven years. Its dividend yield currently stands at a healthy 1.8%.

## Waste Connections

**Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#)) could be an excellent buy in this volatile environment, given the essential nature of its business. It focuses on exclusive or under-penetrated secondary markets, which has helped to acquire a substantial market share while maintaining its higher margins. It also focuses on having its disposal sites closer to the markets it operates, which reduces its transportation costs, thus supporting its margins.

Apart from organic growth, Waste Connections also focuses on acquisitions to drive its growth. Over the previous two years, the company has completed over 21 acquisitions. Generally, acquisitions come at a hefty premium. However, the company has maintained its adjusted EBITDA margin above 30% over the last five years. With its liquidity standing at \$743 million at the close of its March-ending quarter, the company is well positioned to make future strategic acquisitions.

## Lightspeed POS

Last week, **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)) reported an impressive fourth-quarter performance, with its revenue growing by 127% on a year-over-year basis. Both organic growth and acquisitions of Upserve and ShopKeep drove its top line. Its gross transaction value increased by 76% to US\$10.8 billion, while its customer base increased by 56% to 140,000.

Meanwhile, I expect the company to continue its growth amid the increased adoption of the omnichannel selling model, acceleration in its payments and financial solutions, and its innovative product offerings. With cash and cash equivalents of US\$807.2 million, Lightspeed POS is also well funded to make strategic acquisitions, which could expand its customer base, strengthen its competitive positioning, and expand its geographical footprint.

### 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. NYSE:WCN (Waste Connections)
4. TSX:GSY (goeasy Ltd.)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:SU (Suncor Energy Inc.)

7. TSX:WCN (Waste Connections)

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## **Date**

2025/08/28

## **Date Created**

2021/05/25

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