3 Canadian Stocks to Buy Right Now

Description

Investing with a long-term horizon is an excellent way for investors to amass significant wealth, even if they do not have massive investment capital to begin with. There are plenty of high-quality assets available in the stock market at attractive valuations. Finding such high-quality stocks, buying them at the right time, and holding onto them for decades could provide you with outsized returns and help you grow your wealth in the long run.

I will discuss three such stocks that you could consider for your portfolio today.

Bank of Montreal

Bank of Montreal (TSX:BMO)(NYSE:BMO) is an easy stock pick that many long-term investors have in their investment portfolios. The Canadian banking giant has consistently grown its earnings at a solid pace and boosted its shareholders' returns through juicy dividend payouts for decades. The bank boasts a terrific 192-year dividend payment streak, and it has increased its dividends for the last 15 of them at a compound annual growth rate (CAGR) of 6%.

The company's improving credit demand and diverse revenue model position it well for long-term growth in the future. The improvement in loan and deposit volumes will likely combine with lower provisions for credit losses and tight expense management to accelerate the bank's growth. Trading for $126.5 per share at writing, it boasts a juicy 3.35% dividend yield.

goeasy

goeasy (TSX:GSY) is another wealth-generating stock that is becoming popular among long-term investors. The company's prolific growth and financial performance have led the stock to a stellar rally in the last decade. The stock has appreciated by around 2,400% in the last decade. Its growth in the last 12 months alone is almost 170%. The company's stellar growth in the last decade might make it seem like goeasy has hit its peak.

However, the stock could still be an attractive investment for you if you have a long-term investment horizon. The subprime lender could benefit from the improving economic conditions, driving further loan origination and greater consumer demand.

The company's commercial partnerships, new product launches, and omnichannel model could accelerate its top and bottom-line growth significantly. Trading for $150.87 per share at writing, it boasts a modest 1.75% dividend yield. The company has also been increasing its dividend payouts by a CAGR of 34% in the last seven years.

Cineplex

Cineplex (TSX:CGX) took a massive beating due to the pandemic and resulting lockdowns obliterating its revenue generation. The stock has been touted as an excellent reopening recovery play as the pandemic subsides. Trading for $15.72 per share at writing, Cineplex stock is already up by 80% on a year-to-date basis.

The ongoing vaccination and expected recovery in its revenues are driving the stock higher. Despite its massive climb, the stock is trading for an over 53% discount from its pre-pandemic price. It means that the stock offers more upside potential to investors who buy up shares of the stock today while its operations return to relative normalcy.

Foolish takeaway

Investing in high-quality companies at a decent valuation and remaining invested for a long time can help you get substantial returns on your investment. Creating a diversified portfolio of stocks that can help you generate significant wealth in the long run.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. TSX:BMO (Bank Of Montreal)
3. TSX:CGX (Cineplex Inc.)
4. TSX:GSY (goeasy Ltd.)

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Author
adamothman