



## The 5 Best Canadian Stocks to Buy in 2021 for the Long Term

### Description

The stellar recovery rally, heightened volatility, and stretched valuations could make investors cautious. However, if you are a long-term investor, there are plenty of Canadian stocks that have solid fundamentals and multiple growth catalysts to make you very rich. With long-term growth in the background, I have selected five Canadian stocks that I believe could handily outpace the TSX 60 Index and deliver outsized returns.

### goeasy

**goeasy** ([TSX:GSY](#)) has delivered [multi-fold returns](#) in the past on the back of its exceptionally good financial performance and multiple growth engines. I expect the strong momentum in its stock to continue, as improving macroeconomic outlook, new product launches, acquisitions, channel expansion, strong credit performance, and a large non-prime lending market provide a solid runway for growth.

Thanks to its high-quality earnings and acceleration in the pace of growth, goeasy could continue to enhance its shareholders' value through higher dividend payments. Overall, goeasy is a must-have long-term stock that could create a significant amount of wealth for its investors.

### Scotiabank

**Scotiabank** ([TSX:BNS](#))([NYSE:BNS](#)) bank is well known for its ability to deliver stellar earnings growth and consistently pay higher dividends. It has paid regular dividends since 1833 and increased it by a CAGR (compound annual growth rate) of 6% for 10 consecutive years. The bank currently yields at 4.4%.

I expect Scotiabank to benefit from the steady improvement in the economy, its exposure to the high-growth banking markets, diverse revenue sources, and solid credit performance. Further, improving operating leverage could continue to cushion its earnings and drive its stock and future dividend payments. The stock is also trading cheaper than peers at the current price levels.

## Shopify

**Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is undeniably one of the best Canadian stocks to create wealth. The stock has skyrocketed about 653% in three years and almost 4,403% in five years, driven by its solid financial and operating performances, positive secular industry trends, and the addition of newer sales and marketing channels.

I believe Shopify's growing market share, new products, and increased spending on the e-commerce platform could continue to drive its stock higher. Moreover, its strong fulfillment network, up-selling opportunities, new sales channels, operating leverage, and growing global footprint augur well for future growth.

## Lightspeed

Like Shopify, **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)) has [made its investors very rich](#). Its stock has appreciated over 173% in one year, reflecting stellar demand for its omnichannel payment platform. I believe the demand for its commerce-enabling platform to remain elevated, even after the reopening of the economy, supporting the uptrend in its stock. In addition, strategic acquisitions and expansion in high-growth markets should further give a boost to its stock.

The company's growing customer base, product innovation, and positive secular industry trends are likely to boost its top-line growth. Further, the growing adoption of multiple modules by its customers should drive its average revenue per user at a healthy pace in the long run.

## Cargojet

**Cargojet** ([TSX:CJT](#)) stock has delivered a whopping return of over 496% in five years and over 2,519% in the past decade. Despite its stellar growth, I see further upside in Cargojet, driven by the continued momentum in its core business and higher client-retention rate.

Cargojet continues to witness higher demand from the e-commerce vertical. Meanwhile, the air cargo company could continue to benefit from its long-term contracts, international growth opportunities, network optimization, and cost-saving measures. In addition, its speed to market, price hikes, and next-day delivery capabilities further strengthen my bullish view.

### CATEGORY

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

5. Tech Stocks

## TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:LSPD (Lightspeed Commerce)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:CJT (Cargojet Inc.)
6. TSX:GSY (goeasy Ltd.)
7. TSX:LSPD (Lightspeed Commerce)
8. TSX:SHOP (Shopify Inc.)

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