



4 Top Canadian Stocks to Buy Before the End of This Month

Description

Supported by improving corporate earnings and expansionary monetary policies, Canadian equity markets have delivered a stellar performance this year, with the **S&P/TSX Composite Index** rising over 16% for this year. However, despite the substantial returns, there are still few exceptional buying opportunities. In this article, we will look at four top Canadian stocks to buy right now.

goeasy

Supported by its impressive [first-quarter performance](#), **goeasy** ([TSX:GSY](#)) has returned 68.2% this year, comfortably outperforming the broader equity markets. However, I expect the uptrend to continue, given its healthy growth prospects and attractive valuation.

The company's loan portfolio is growing at a healthier rate. In addition, the demand for the company's services is rising with the gradual reopening of the economy. Meanwhile, the company has expanded its product offerings, entered new markets, and improved its customer experience to drive its market share. Further, its acquisition of LendCare Holdings has increased its industry verticals and improved its risk profile through diversifications.

Despite its high-growth prospects, the company is trading at an attractive valuation. Currently, it is trading at 16 times its 2021 EPS and 13.5 times its 2022 EPS. So, [goeasy would be an excellent buy right now](#).

Suncor Energy

Oil prices have continued their upward momentum, with U.S. West Texas Intermediate (WTI) crude trading around \$74 per barrel. The expectation of demand outstripping supply amid the reopening of economies worldwide has driven the oil prices higher, benefiting oil-producing companies such as **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)). Meanwhile, I expect oil prices to remain elevated in the near to medium term.

Further, Suncor Energy has planned to make a capital investment of \$5 billion through 2025, optimizing its integrated value chain and growing its low-carbon businesses. These investments could increase its free fund flow by around \$2 billion annually. So, the company's growth prospects look healthy. Meanwhile, Suncor Energy also rewards its shareholders through share repurchases and dividends, with its dividend yield standing at 2.77%.

Cineplex

With economies beginning to open gradually, **Cineplex** ([TSX:CGX](#)) could be an excellent bet right now. The company has witnessed robust buying this year, with its stock price rising 61.6% for this year. However, the company still trades at a discount of 55% from its January 2020 levels. Its valuation also looks attractive, with its forward price-to-sales multiple standing at 0.9.

Amid widespread vaccination and falling COVID-19 cases, some of the provinces have started to reopen their entertainment avenues, which could boost Cineplex's financials in the coming quarters. The pent-up demand and postponement of movie releases from the previous year to this year could increase theatre attendance. Meanwhile, the company has also strengthened its balance sheet by raising funds through various debt facilities. Further, it has also taken several cost-cutting initiatives to lower its losses and reduce its cash burn. So, the company is well equipped to ride out this crisis and deliver superior returns.

Waste Connections

My final pick would be **Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#)), which collects and transfers non-hazardous wastes. It offers its services in exclusive or underpenetrated markets, which allows it to maintain its margins. Meanwhile, amid the reopening of the economy, the demand for its services could rise, driving its financials. Also, the rising oil demand could drive its E&P waste revenue in the coming quarters.

Along with organic growth, the company also relies on acquisitions to expand its market share and footprint. But, usually, the acquirer has to pay a hefty premium during acquisition, which could impact its margins. However, the company has posted an adjusted EBITDA margin of over 30% in the previous five years, which is encouraging. Meanwhile, with its liquidity standing at \$743 million, the company is well equipped to continue with its strategic acquisitions. So, Waste Connections could deliver superior returns over the next two years, given its healthy growth prospects.

CATEGORY

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TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. NYSE:WCN (Waste Connections)

3. TSX:CGX (Cineplex Inc.)
4. TSX:GSY (goeasy Ltd.)
5. TSX:SU (Suncor Energy Inc.)
6. TSX:WCN (Waste Connections)

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