



## Double Your \$110 GST Refund in July With 4 Stocks

### Description

Did you turn 19 last year? Have you filed your 2020 income tax returns? If the answer to both questions is yes, be prepared to receive a \$114 goods and service tax (GST) refund from the Canada Revenue Agency (CRA) on July 5. If your income is below \$38,000, you can get up to \$456 in GST refunds in four installments. It's time to enter the [investing world](#) and buy your first stocks in the Tax-Free Savings Account (TFSA).

### Air Canada stock

You are young and can take risks. Look around and see where you will spend your first income. Many people have delayed their plans to travel for a vacation, for meeting family members, and for studies in other cities or countries. All this pent-up demand will be realized in the next 12 months.

**Air Canada** ([TSX:AC](#)) will be one of the biggest beneficiaries. After 15 months of laying low, the airline is finally getting to the skies. It is working to ensure necessary social-distancing measures are adopted, as the risk of infection still prevails. It is in the nature of the virus to mutate, but it is also in the nature of humans to adapt and thrive. Countries are vaccinating their citizens and making vaccine passports, COVID-19 tests, masks, and sanitization the new norm.

As Air Canada takes to the skies, so will its stock prices. I expect the stock to touch \$40, which is 20% below its pre-pandemic level. The reason for my conservatism is the \$6 billion loss and net debt it has accumulated in the pandemic. But the rally to \$40 presents a 53% upside from the current price of \$25.75.

### Suncor stock

With \$110, you can also buy a stock of **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)), which is trading at \$29.25. Suncor provides jet fuel to Air Canada as well as gasoline to your car. The travel demand will increase oil demand, and that will push Suncor stock price. Jet fuel and gasoline are made from Brent crude. The Brent crude price has surged 90% since November 2020. Suncor stock surged 91% in tandem with the oil price.

There is still some room for growth, as the holiday season travel has yet to pick up. While I don't expect Suncor stock to surge as much as 90%, I [expect](#) the stock to surge another 36% to its pre-pandemic price of \$40.

## Cineplex stock

Apart from travel, where else would you spend your money? Movies? It's been over 16 months since people have experienced the sound and picture quality of a theatre. Streaming movies on **Netflix** is good, but it is not the same as theatres.

**Cineplex** ([TSX:CGX](#)) is one of Canada's leading theatre chains, and its properties have been accumulating dust for over 16 months. It plans to reopen the theatres in a manner that abides by social-distancing norms. Cineplex was doing well before the pandemic, generating around \$150 million in cash flow annually. While I don't expect it to reach that level soon, there is some hope of cash. Cineplex stock has already surged 70% year to date on hopes of recovery and is trading just below \$15.

There is still room for another 45% growth, as the stock attempts to hit its pre-pandemic average price of \$20-\$22.

## RioCan REIT

Balancing your growth with dividends is **RioCan REIT** ([TSX:REI.UN](#)), which is trading at \$22.01. The REIT collects rent from retail stores, theatres, food courts, malls, and open-air outlets. With the streets lighting up again with all those stores, RioCan will be sitting at the backend, counting money collected from the rent. The REIT is offering a 4.36% dividend yield and a recovery rally. It has already surged 43% year to date but has the scope to rally to the pre-pandemic \$27 — a 22% upside. Moreover, it has room to even increase dividends after a 33% [dividend cut](#) in December 2020.

## Foolish takeaway

If you buy one unit of each stock, it will cost you \$92, and you will still have a \$20 buffer that you can spend on movies and cheeseburgers. A Fool spends less than they earn. That's the most effective way to achieve financial freedom.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks

4. Investing
5. Stocks for Beginners

## TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:AC (Air Canada)
3. TSX:CGX (Cineplex Inc.)
4. TSX:REI.UN (RioCan Real Estate Investment Trust)
5. TSX:SU (Suncor Energy Inc.)

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