



4 Canadian Stocks to Buy With the Return of Retail

Description

Retail is one of the best places for Motley Fool investors to consider these days. There are multiple contributing factors to why retail stocks, and in particular [real estate retail stocks](#), are likely to do well in the coming years and even months. Vaccinations against COVID-19 continue to climb, as does the rollout.

This has already led to an increase in consumer traffic and activity. As the economic outlook continues to improve, it's likely we will continue to see these retail stocks in particular climb as well. So here are four Canadian stocks to buy as we return to retail.

RioCan

Shares in **RioCan REIT** ([TSX:REI.UN](#)) continue to climb for Motley Fool investors. It's one of the top REIT Canadian stocks to buy right now, up 62% in the last year alone. Yet analysts believe it's only the [beginning](#). Not only are we seeing a return to retail, but also a return to urban retail. Large Canadian cities, where RioCan REIT is set up to benefit, are well-positioned to see substantial growth with a return to work.

This is also helped by growth in population, largely from immigration which has been at a standstill since the pandemic. As this happens, RioCan will see an increase not just from retail, but its residential investments as well. Shares currently trade at \$22.50 as of writing but continue to climb to pre-pandemic highs nearing \$30 per share.

First Capital

First Capital Realty ([TSX:FCR.UN](#)) is in largely the same boat as RioCan. The REIT is another one of the Canadian stocks to buy in the real estate market with plenty of [urban exposure](#). Not only that, even during the downturn the company took the opportunity to make further investments.

During the last quarter, First Capital announced it invested \$51.3 million in the "...development,

redevelopment, and acquisitions...in super urban neighbourhoods in Toronto.” This included acquiring two Toronto properties for \$7.5 million.

Shares of the company are up 43% in the last year but are still down compared to pre-pandemic levels. With more investments made and future growth ahead, Motley Fool investors could see a potential upside of 22% in the next year or so.

Crombie

A REIT that is likely to continue doing well, **Crombie REIT** ([TSX:CRR.UN](#)) is an excellent investment even as we continue through the pandemic. The benefit to Crombie is that it's a national retail property with a portfolio of grocery and pharmacy shopping centres, as well as stores and mixed-use developments. It's also located mainly in urban areas but does not rely on the return to full-on retail like the last two REITs have.

That said, it will still benefit from a return to retail. That's what makes it one of the top Canadian stocks to buy as we see a rebound. You can continue seeing strong growth, with the potential for strong performance in a full economic recovery.

Shares are up 52% in the last year, but it's now trading at all-time highs. It's therefore not as much of a deal, but you still get access to further growth as the economy rebounds.

CT REIT

Finally, **CT REIT** ([TSX:CRT.UN](#)) is a strong investment as the world rebounds, but also as it changes. The company's Canadian Tire locations saw a massive increase in e-commerce sales, overhauling the system to increase sales. With the country seeing an increase in vaccinations, we are also seeing a return to these stores. That means we could continue to see strong e-commerce sales, coupled with more in-store sales as well.

The company didn't see the drop they thought they would during the pandemic, with many renewing leases at a decade average. Shares are up 32% in the last year, with further growth in store as the vaccination rollout continues. So this is another one of the top Canadian stocks to buy as our country finally returns to retail.

CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance

TICKERS GLOBAL

1. TSX:CRR.UN (Crombie Real Estate Investment Trust)
2. TSX:CRT.UN (CT Real Estate Investment Trust)
3. TSX:FCR.UN (First Capital Real Estate Investment Trust)
4. TSX:REI.UN (RioCan Real Estate Investment Trust)

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Date

2025/08/16

Date Created

2021/07/27

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