



4 Top Canadian Stocks to Buy in August

Description

Despite the rising COVID-19 cases, the Canadian benchmark index, the S&P/TSX Composite Index, has increased by 16.6% for this year. Investors' optimism over the reopening of the economy, widespread vaccination, and improving corporate earnings have driven the index higher. Amid improved investors' optimism, here are four top Canadian [growth stocks](#) that you could buy this month to earn superior returns.

Nuvei

Since going public in September, **Nuvei** ([TSX:NVEI](#)) has delivered an impressive return of around 125%. The company's strong first-quarter performance, strategic acquisitions, and rising demand for digital payment solutions amid a secular shift towards an omnichannel selling model have driven the company's stock price higher.

The company recently [acquired](#) Mazooma Technical Services, which provided instant bank-to-bank payments for the U.S. online gaming and sports betting market. Meanwhile, Nuvei plans to expand the service to other verticals. Amid the growing cryptocurrency market, the company is focusing on acquiring Simplex, a fiat-cryptocurrency gateway that connects market participants. Along with these acquisitions, the increasing popularity of digital payment solutions offers excellent growth prospects for Nuvei. [So, I am bullish on the company.](#)

Magna International

After delivering solid returns of 26.6% last year, **Magna International** ([TSX:MG](#))([NYSE:MGA](#)) has continued its uptrend, with its stock price rising close to 15% this year. Meanwhile, I expect the momentum to continue, given its high-growth prospects. Last month, the company announced to have signed a definitive agreement to acquire Veoneer, which could strengthen its advanced driver-assistance systems business.

Last month, the company established a joint venture with LG Electronics, LG Magna e-Powertrain,

which will produce e-motors, inverters, and e-drive systems. The company has also partnered with the technology startup Uhnder to launch ICON Radar, an advanced driver-assistance technology, next year.

Further, the company also expects a significant shift in its production towards EV components amid rising demand for EV vehicles. So, Magna International's growth prospects look healthy.

WELL Health

WELL Health Technologies ([TSX:WELL](#)) is one of the top performers over the last few years, with its stock price appreciating around 4,500% since going public in June 2017. The favourable industry trends, robust financial performance, and accretive acquisitions have boosted the company's stock price. Given its accessibility and convenience, the demand for telehealthcare services is rising and could also sustain in the post-pandemic period.

Meanwhile, the company has expanded its geographical footprint in the lucrative U.S. healthcare market with the acquisition of CRH Medical. Further, CRH could post revenues and EBITDA of US\$150 million and US\$60 million in 2021, boosting WELL Health's financials. Additionally, the company has also recently acquired ExecHealth, Doctors Services Group, and MyHealth Partners. Despite its healthy growth prospects, the company currently trades over 25% lower from its February highs. So, I believe investors should utilize the correction to accumulate the stock to earn superior returns.

Tilray

My final pick would be **Tilray** ([TSX:TLRY](#))([NASDAQ:TLRY](#)), which had reported a solid fourth-quarter performance last month. Its top line grew by 25%, while its net profits came in at \$33.6 million compared to a net loss of \$84.3 million in the previous year's quarter. It also posted a positive cash flows of \$3.3 million, which is encouraging.

Meanwhile, the company is looking at expanding its product offerings to raise its market share from 16% to 30% in the Canadian retail space by 2024. It has also strengthened its offerings in the medical cannabis sector by recently launching a new brand, Symbios. With its strong production and supply chain capabilities in the European Union, the company looks to venture into new markets, such as Poland, Italy, the U.K., France, the Netherlands, and Israel.

Given its cash and cash equivalents of \$488 million at the end of the fourth quarter, Tilray is well equipped to fund its growth prospects. So, given its healthy growth prospects and expanding cannabis market, I expect Tilray to deliver superior returns.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:TLRY (Tilray)
2. NYSE:MGA (Magna International Inc.)
3. TSX:MG (Magna International Inc.)
4. TSX:NVEI (Nuvei Corporation)
5. TSX:TLRY (Aphria)
6. TSX:WELL (WELL Health Technologies Corp.)

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