



3 TSX Stocks to Buy This Instant

Description

The **TSX bull rally** in 2021 brought out exciting investment prospects for [growth investors](#). Two names are high-flyers with the potentials to deliver considerable returns in the near term, while one is excellent for growth and income stability.

If you were to invest this instant, consider **AutoCanada** ([TSX:ACQ](#)), **Uni-Select** ([TSX:UNS](#)), and **Alimentation Couche-Tard** (TSX:ATD.A)(TSX:ATD.B). You'd have a diversified and balanced mix of assets in your portfolio. The respective businesses should thrive in the second half of 2021 and beyond.

Strong buy rating

AutoCanada is an unlikely [top performer](#), but it sure outperforms the more popular stocks on the TSX. Thus far, in 2021, investors enjoy a 149.43% year-to-date gain. Also, the current share price of \$58.89 is 234.98% higher than a year ago. It's little wonder that market analysts recommend a strong buy rating for this consumer-cyclical stock.

The \$1.59 billion multi-location automobile dealership group in North America reported stellar financial results in Q1 2021. AutoCanada's Executive Chairman Paul Antony said, "We delivered another record-setting performance and a ninth consecutive quarter of market-outpacing growth." Revenue growth from Q1 2020 was 36.8%, but the 145.5% turnaround in net income surprised investors.

From a net loss of \$46.8 million, AutoCanada reported \$21.33 million in net income during the quarter. Mr. Antony adds that with the continued execution of its business model, the company could sustain its top-tier operating performance. It should also support the next leg of growth.

Prepared for market recovery

Uni-Select reported \$20.25 million in net loss Q2 2021, although management believes the 37.6% increase in total sales indicates a bounce back. Uni-Select Executive Chairman and CE Brian

McManus said, "We are very pleased with our second-quarter results, which reflect a strong market recovery from the worst of the pandemic and sequential improvement in the business."

According to McManus, the company primarily used the \$43 million cash flow from operations to reduce total net debt and improve the leverage ratio to 2.9x. Management's near-term focus is to align the core businesses and identify growth opportunities as Uni-Select prepares for the reopening.

Meanwhile, the shares of this \$749 million that distribute auto parts worldwide is among TSX's high-flyers like AutoCanada. At \$17.69 per share, the year-to-date gain is 118.13%, while the trailing one-year price return is 133.89%.

Portfolio stability

Alimentation Couche-Tard, the global leader in the convenience store sector, is a consumer defensive stock. The \$54.78 billion company pays a modest 0.69% dividend (\$51.09 per share), but it should add stability to anyone's portfolio. Alain Bouchard, Couche-Tard's founder and Executive Chairman of the Board, said the company got stronger, better, and ready to grow in the future.

Because Couche-Tard is ready, financially and operationally, management believes the goal to become the world's preferred destination for convenience and fuel is realizable. The business of the 14,000-strong store network remained stable in fiscal 2021.

For the year ended April 25, 2021), revenue declined by 15.5% versus fiscal 2020 due to the impact of the pandemic on fuel demand and lower average road transportation fuel selling price. However, net earnings increased 15% to \$2.7 billion. In late June 2021, Couche-Tard increased its stake in cannabis producer Fire & Flower to 22.35%.

Value for money

AutoCanada, Uni-Select, and Alimentation Couche-Tard are the top choices if you want value for money and excellent reopening plays. All three businesses are not lacking in growth and should do better in the post-pandemic.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ACQ (AutoCanada Inc.)
2. TSX:ATD (Alimentation Couche-Tard Inc.)
3. TSX:UNS (Uni-Select)

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