



4 Canadian Stocks to Buy After Analyst Boosts

Description

Motley Fool investors seeking out a deal should first look at analyst recommendations. Analysts from banks and financial institutions are constantly looking for signs that a company is going to do well, or not. This can be a signal to start digging into a potential stock for your portfolio. And then buy it up while it's still cheap! So, here are four of the best Canadian stocks I would consider after recent analyst bumps.

Boardwalk REIT

Boardwalk REIT ([TSX:BEI.UN](#)) performed better than expected during its recent second-quarter report. This was great news after three quarters of falling income. This was driven by improvement in the company's occupancy, which made management confident it can reach the 97% occupancy rate it had last year.

Analysts now peg the company with an average potential upside of around 10%. That comes on top of the last year's 59% in share growth. Analysts further believe more growth is on the way thanks to the company's affordable apartments and value properties, especially in Alberta. In fact, the company may continue to outperform for the next two to three years in line with an economic recovery. Yet shares remain incredibly affordable with a 0.8 price-to-book value (P/B) ratio, making it one of the best Canadian stocks around!

Exchange Income

Exchange Income ([TSX:EIF](#)) proved its value during the last quarter and rested the growth on its diversified business model. The company's results proved it's one of the best Canadian stocks to buy during a recovery. Motley Fool investors may have seen its 12% year-over-year increase in EBITDA, topping estimates. This came from far better-than-expected results from its aviation sector, which are due to grow even further.

Analysts believe the company is set to soar, with moves planned for the next year and beyond as the

economy recovers. Such moves include a \$61 million acquisition of Carson Air, and three acquisitions are planned for a further \$53 million. With such acquisitions and stellar performance underway, share growth of 39% this year could only be the beginning. Exchange Income should continue to see sales increase at around 15% over the next three years. Meanwhile, analysts peg further share growth at a potential 11% upside, making it one of the top best Canadian stocks.

Home Capital

Home Capital Group ([TSX:HCG](#)) recently soared past analyst [recommendations](#). The company reported earnings per share at \$1.44 — up from the \$0.98 predicted by analysts. Of course, some of this was offset by the company's provision loan losses of \$18.8 million from the pandemic. But this still means there will be a large return of capital should the company continue to perform this way.

Analysts tend to believe the company is set to outperform its peers after such strong results. Yet it remains a steal. It currently trades with a price-to-earnings (P/E) ratio of 8.68! All while increasing 72% in the last year as of writing. With analysts believing another 10% in growth is on the way, fueled by buybacks, this is one of the best Canadian stocks to pick up today.

Stelco Holdings

Stelco Holdings ([TSX:STLC](#)) made a prudent move for investors this week. The company bought back 11.4 million shares at around a 26% discount, according to some analyst recommendations. The deal enhances earnings per share and [drives up](#) the share price in the meantime. This is already on top of share growth of 437% in the last year!

Analysts are unanimous in this company outperforming the market. Yet it remains cheap given all this future growth, with a P/E ratio of 12.2 as of writing. As the company continues to add significant free cash flow day after day, the company could be up to repurchase even more shares within the next year. That makes it one of the best Canadian stocks around today.

CATEGORY

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1. Editor's Choice

TICKERS GLOBAL

1. TSX:BEI.UN (Boardwalk Real Estate Investment Trust)
2. TSX:EIF (Exchange Income Corporation)
3. TSX:HCG (Home Capital Group)
4. TSX:STLC (Stelco Holdings Inc.)

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Date

2025/07/02

Date Created

2021/08/17

Author

alegatewolf

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