



2 Post-Lockdown Stocks Poised for a Bull Run

Description

The COVID-19 pandemic and ensuing lockdown measures to curb the spread of the novel coronavirus resulted in many businesses losing a lot of money. Several sectors of the economy managed to pivot and adapt to the new normal. However, companies like **Air Canada** were forced to continue burning through their cash in hopes of making it through to the other side.

The ongoing vaccine rollout and economic expansion amid [rising consumer demand](#) are increasing hopes of amazing reopening plays that investors could capitalize on to realize massive gains. While the airline stock might seem like an ideal pick, it comes with its risks thanks to the new variants that are casting a shadow of uncertainty on how long the pandemic will last.

There are other companies you can consider if you are looking for post-lockdown stocks that can deliver [stellar returns](#) but don't want to make a very aggressive bet in an uncertain space.

Today, I will discuss two other stocks that could be strong reopening plays as lockdowns end that you should have on your radar right now.

Canadian Tire

Canadian Tire ([TSX:CTC.A](#)) is a company that boasts a strong balance sheet that's managed to hold its own during previous lockdowns. The retailer has been around for almost 100 years and operates several locations throughout Canada, the U.S, and Europe.

The brick-and-mortar retailer has traditionally never been a growth stock. However, the pandemic saw the business bolster its e-commerce operations to exhibit seemingly uncharacteristic growth since 2020.

The company's new product offerings can combine with a potential increase in post-pandemic spending to send its share prices soaring to even greater heights. Trading for \$190.78 per share at writing, Canadian Tire stock boasts a respectable 2.46% dividend yield that can keep lining your account balance with cash while you enjoy returns through capital gains.

ONEX

ONEX ([TSX:ONEX](#)) might not be a name that you are very familiar with. The company is a private investment holding business. One of the biggest names under its belt is **WestJet Airlines**. While not as massive as Air Canada, WestJet Airlines is a significant business. Like its airline peers, WestJet has also suffered significant losses due to the lockdowns.

Unlike Air Canada, however, WestJet enjoys the comfort of a solid balance sheet for its parent company. ONEX boasts several other businesses that generate robust cash flows. The stock was trading for a massive discount throughout most of last year. After its recent rally, the stock is trading for just a 14% discount from its all-time highs. As lockdowns end, ONEX stock could see a significant boost to its revenues as business picks up for WestJet Airlines.

Foolish takeaway

Air Canada stock is arguably an excellent pick if you're looking for a breakout stock that could enjoy massive growth if the pandemic ends. However, it comes with the risk of declining at a moment's notice if the Delta variant worsens the pandemic in the coming months.

Canadian Tire and ONEX are businesses that are cheaply priced right now and have proven the ability to hold their own even if another lockdown strikes. While operations might take a hit, both businesses possess the financial strength to ride out the wave.

If you're looking for [Canadian growth stocks](#) that can deliver outsized returns as lockdowns end, it might be worth your while to establish a position in Canadian Tire stock and ONEX stock.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CTC.A (Canadian Tire Corporation, Limited)
2. TSX:ONEX (Onex Corporation)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred

5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. arosenberg

Category

1. Dividend Stocks
2. Investing

Date

2025/09/12

Date Created

2021/08/31

Author

adamothonman

default watermark

default watermark