



3 Canadian Stocks to Buy in Booming Sectors

Description

Canada's economy continues to be on the rebound, even with a pullback currently underway on the **TSX** today. In fact, if there's one thing Motley Fool investors likely learned during the pandemic, it's that selloffs create opportunities. And that includes some of the best Canadian stocks to buy out there.

While this can create a volatile market in the short term, in the long term you can create stellar returns. All it takes is patience. That being said, there are certainly Canadian stocks to buy now to see quicker returns if you look at the right industry.

In the case of the Canadian economy, I'd consider the best Canadian stocks to buy to be in these sectors:

- The real estate sector
- The energy sector
- The tech sector

First, real estate

It's true that the Canadian housing market continues to surge. Ontario's average annual rate of price growth increased 30% in July, for example. However, this isn't where I would invest today. Instead, I would look at real estate investment trusts involved in infrastructure.

There is a massive backlog of infrastructure projects coming down the [pipeline](#) this year. And while Motley Fool investors can certainly go to construction companies, I would consider REITs in the infrastructure business a better long-term bet. While backlogs eventually go away, these infrastructure companies do not.

Of those, **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)) is my top choice. Shares of the company are up 10.8% in the last year, with a strong buy from the majority of analysts. Yet many believe there is even more upside to this stock, as it continues to create a solid investment pipeline.

Brookfield is also one of the top Canadian stocks to buy for its dividend of 3.64% as of writing. As one analyst stated, over the next few years, there is a lot for investors to look forward to. The company has government-funded investments, telecom operators, and data centres backing it. This should create plenty of growth for this top stock.

Next, energy

Energy stocks are some of the best Canadian stocks to buy from an increase in production after the pandemic. But it's more than that. The Canadian oil and gas sector continues to be one of the prime sources of income for the country. Even as we transition to renewable energy, that isn't going to stop the country from needing to produce oil and gas for the next several decades.

While there are a lot of oil and gas stocks out there to consider, I would stick to pipeline producers such as **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) for stability. Enbridge stock has long-term contracts that will continue to see decades of growth before it needs to transition. But still, it recently made a partnership to start turning waste into carbon-neutral energy.

Shares of Enbridge stock are up 32% in the last year, and analysts believe Enbridge stock is a strong buy going into the next year towards all-time highs yet again. Yet it remains valuable, with a P/E ratio of 16.92, and dividend yield of 6.61%!

Finally, tech

Canadian tech stocks have become heavy hitters on the TSX today. Some of the best Canadian stocks to buy for growth are in this [category](#). And while many might look to **Lightspeed Commerce** at lower levels, I would stay away from the stock. Lightspeed stock is under fire, so it is certainly not just going through a pullback. Until Lightspeed stock and management can get its accusations sorted, I would instead look elsewhere.

A strong consideration would be **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)). The learning management software company has top names using its software during the [pandemic](#). As remote learning becomes an everyday thing, Docebo stock is set to continue climbing.

In fact, while it may be up 93% this last year, analysts believe another 34% is on the way at least! The company has made cost-efficient decisions, including its acquisition targets, with subscriptions up 76% year over year. The long-term growth potential for this company is significant, making it one of the top Canadian stocks to buy on the TSX today.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)

3. NYSE:ENB (Enbridge Inc.)
4. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
5. TSX:DCBO (Docebo Inc.)
6. TSX:ENB (Enbridge Inc.)

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