



Stock Picks Performance: 10 Months, 8 Stocks, 10% Return

Description

Building a share portfolio that gives good returns involves years of patience and learning. Most investors look at stock picks to make their first investments. The Motley Fool Canada gives stock picks on the first day of the month. While passive investing teaches you to buy and forget, it only applies to dividend and resilient shares. A balanced portfolio comprises growth and cyclical shares too.

Hence, it is a healthy habit to periodically check the portfolio's performance and make changes if needed.

Stock Picks

I gave eight stock picks in the last 10 months. Some shares were dividend, some were growth, seasonal, cyclical, and others resilient. Below is the share price growth from the day of recommendation.

- **Enbridge** in January – 29%
- **Lightspeed Commerce** in February – 34%
- **Shopify** in March and April – 6.6% and 27%
- **Magna International** in May – (8.8%)
- **Descartes Systems** in July – 18.5%
- **Chorus Aviation** in August – (14%)
- **Suncor Energy** in September – 25%
- **Air Canada** in October – (6.4%)

Building a balanced portfolio

Investing is not just a one-time event. It is ongoing. Becoming rich is one thing but maintaining that wealth is another. Look at Warren Buffet. He has been buying and selling shares for more than 70 years. Remember, not all your stocks will do well at the same time, and you don't want them to do that too. That is the objective of a balanced portfolio. When some shares make losses, the others make up

for it with their profits. Overall, you want your portfolio to be net positive by having more stocks that generate good returns.

Moreover, you don't have to buy all the shares in one go. One thing that sets gainers apart is the timing of the buy. This is where the above stock picks come in handy.

How to pick stocks

When I [choose the stock](#), I look at the fundamentals, the overall market sentiment, and the company's future growth potential. For instance, [Suncor](#) was my top pick for September as the share had dipped 25% from its June high. The share's Relative Strength Index (RSI) showed that the trade was skewed towards sell.

In every stock with growth potential, there is one rule: buy the dip sell the rally. Suncor is a cyclical stock that moves in tandem with the oil price. As international borders reopen, it was a given that oil demand would increase as planes ain't flying without jet fuel. Suncor not only extracts oil but also sells gasoline and jet fuel. All of these factors could set Suncor on a growth path.

However, Suncor stock was down because the [CO2 emission](#) from oil sands projects came into the limelight. Emission is an age-old issue that will continue even in the next 10 years. This long-lasting issue won't hamper the short-term cyclical upturn of high oil prices. Hence, I suggested buying Suncor on September 1. The timing was perfect as the share surged 25% the next month.

Similarly, I recommended buying Lightspeed Commerce and Shopify in the first half as that time is seasonally slow. These are seasonal stocks because they earn from transaction volumes, which are high during holiday shopping. Despite the Lightspeed issue, both stocks generated positive returns. They are likely to grow significantly till January 2021.

Three stocks from the above portfolio are in the red; Magna, Chorus Aviation, and Air Canada. These are the stocks that could see growth in 2022. Magna is likely to benefit from the electric vehicle (EV) wave, whereas the other two aviation stocks in the summer vacation (May to August).

Investor takeaway

All the above eight stocks are good, but your returns depend on your cost. If you had invested \$1,000 in each of the above stocks during the months they were the top pick, your portfolio value would be \$8,830, excluding dividends. The three stocks that are running negative need more time before they begin to rally. Nobody can time the market accurately, but you can make a calculated guess through research and wait patiently.

Happy investing!

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

5. Tech Stocks

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

PP NOTIFY USER

1. arosenberg
2. pujatayal

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners
5. Tech Stocks

Date

2025/08/22

Date Created

2021/10/19

Author

pujatayal

default watermark

default watermark