



Earnings Season: 3 Reopening Stocks That Could Soar!

Description

Earnings season is kicking off, and as we've seen the last few quarters through the pandemic, this is when some of the biggest opportunities are created. Earnings season is important even for stocks that have already recovered. However, for those Canadian stocks that are still relying on the economy reopening, these earnings reports are crucial for investors to get an idea of what's going on with the business' operations.

So if you're looking for some of the few high-potential opportunities left to buy reopening stocks, here are three that could soar over the next few weeks as they report earnings.

A top Canadian value stock

One of the top Canadian stocks to consider that could see a boost as early as tomorrow when it reports earnings is **Corus Entertainment** ([TSX:CJR.B](#)).

Corus is a TV media company and one of the cheapest Canadian stocks to buy today. While it has continued to earn strong cash flow throughout the pandemic, it was impacted quite significantly to start. So with the economy reopening, Corus is one of the top value stocks that could see a significant rally.

Currently, the stock trades at a forward price to earnings ratio of just 6.6 times. Furthermore, it trades at a forward price to [free cash flow](#) of just 4.4 times, which is extremely cheap.

This makes it one of the top value stocks to buy and hold while we wait for the economy to fully reopen. And while you wait, you can collect the attractive dividend that Corus pays: a yield of over 4.1%.

So it's a stock I'm watching closely that could rally significantly in the short-term, especially if the numbers it reports tomorrow are once again impressive.

A top Canadian restaurant stock

Boston Pizza Royalties ([TSX:BPF.UN](#)) is another high-quality reopening stock with a tonne of potential over the next few quarters. The company just increased its dividend earlier this month, and the stock understandably saw a significant rally as a result.

And while the company has increased the dividend by over 30%, we haven't yet seen the third-quarter numbers for Boston Pizza. So it will be crucial to see just how strong the recovery has been for the Canadian stock as the economy continued to reopen and improve over the summer.

Many restrictions were lifted as we emerged from the third wave. Furthermore, patio weather would also have contributed to a rebound in sales for Boston Pizza. So although the dividend increase points to a strong recovery, investors will want to get confirmation of the rebound its operations have already seen. Plus, we'll also want to get an update on its guidance going forward.

Despite the recent dividend increase and unit price rally, there is still potential for more down the road. Currently, Boston Pizza's dividend, which yields roughly 6.8%, pays out just 74% of what it did before the pandemic. So while it's a stock that's already rallying as the economy reopens, it still offers more potential down the line.

One of the most popular reopening stocks is finally a buy

The last stock to watch closely over the coming months and one of the most popular reopening stocks in Canada is **Cineplex** ([TSX:CGX](#)).

Cineplex is a company that's had to wait much longer than almost every other stock to see a recovery in its sales. However, now, with much of the country fully vaccinated and restrictions being lifted in several provinces, Cineplex can finally see a meaningful recovery in its sales.

Over 50% of its theatres are now operating at full capacity, with many more restrictions likely due to be dropped in the coming weeks and months. Furthermore, the stock's digital advertising business, as well as its entertainment venue locations like Playdium and The Rec Room, are also seeing a meaningful recovery as the economy continues to reopen.

So with the stock trading considerably cheap today, it's one I'd be watching closely over the coming weeks. If earnings from the third quarter are strong, or management's guidance for 2022 is optimistic, Cineplex stock could see a massive rally as a result.

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2. Stocks for Beginners

TICKERS GLOBAL

1. TSX:BPF.UN (Boston Pizza Royalties Income Fund)

2. TSX:CGX (Cineplex Inc.)
3. TSX:CJR.B (Corus Entertainment Inc.)

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