



13 Top TSX Stock Picks for November 2021

Description

We asked our Foolish writers for their top ideas for November. Here are their picks.

Karen Thomas: Agnico Eagle Mines

Inflation has been creeping up on us as the pandemic comes to a close. In fact, it's a pretty obvious outcome of almost two years of big monetary stimulus. Gold stocks like **Agnico-Eagle Mines** ([TSX:AEM](#))([NYSE:AEM](#)) outperform when inflation is rising. That's because gold is a good store of value. In turn, gold stocks benefit from this.

Agnico-Eagle is a leading gold producer with operations in politically safe areas such as Canada and Europe. The company has consistently demonstrated operational excellence, and it has a bright future. Agnico is a strong cash generator, and if gold prices remain firm and/or rise, as I believe they will, this will continue. In short, Agnico is the safe haven I'm flocking to in these times of rising inflation and uncertainty.

Fool contributor Karen Thomas owns shares of Agnico Eagle Mines Ltd.

Puja Tayal: Dye & Durham

My top TSX stock pick for November is **Dye & Durham** ([TSX:DND](#)), one of the successful initial public offering (IPOs) of 2020. The stock saw a 20% correction in September, as the company rejected a \$2.8 billion buyout offer that would take it private. Hence, it is no surprise the interested party sold their Dye & Durham shares, pulling the stock down. But there is no change in its long-term growth strategy or cash flows. The company has long-term contracts with government companies and professionals. It will continue to pursue acquisition opportunities in the future. The correction is a [good opportunity](#) to buy the dip.

Fool contributor Puja Tayal has no position in the stocks mentioned.

Nicholas Dobroruka: Lightspeed Commerce

My top pick in November is high-growth tech company **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)).

Shares are far from cheap from a valuation perspective, but investors can buy in at a [discount](#) today. The tech stock is trading 25% below all-time highs that were set last September. Even with the recent selloff, though, the tech company is still sitting on a gain above 500% since it went public in 2019.

Lightspeed Commerce trades at a premium, because of the company's increasingly growing market opportunity. Management continues to reinvest aggressively into the business to both grow its product line and expand geographically. As a result, investors are willing to pay top dollars for a chance to earn market-beating growth.

If you're willing to hold for the [long term](#) and can stomach the expected volatility, you may want to take advantage of this opportunistic price drop.

Fool contributor Nicholas Dobroruka owns shares of Lightspeed POS Inc.

Vishesh Raisinghani: Horizons Natural Gas ETF

The ongoing boom in natural gas prices is expected to last well into winter. Ever since the oil bust of 2014, the global energy industry has underinvested in new infrastructure and production facilities. Meanwhile, renewable energy has failed to keep up with growing demand. That's created a gap that is now reflected in the price of natural gas. That's what makes the **Horizons Natural Gas ETF** (TSX:HUN) such a great pick for the month of November. The price of each unit is up 86.7% year to date, and it could have plenty of room to grow if the energy supply crunch persists. Keep an eye on it.

Fool contributor Vishesh Raisinghani has no position in any of the stocks mentioned.

Robin Brown: Descartes Systems Group

Supply chain disruption have been a major challenge in 2021. One [TSX tech stock](#) that provides software solutions for these problems is **Descartes Systems Group** ([TSX:DSG](#))([NASDAQ:DSGX](#)). It operate the world's largest multi-modal logistics network. It also has a broad cloud-based platform designed to improve operations for shippers, freighters, carriers, and distributors.

Once adopted, its services are incredibly sticky. Descartes focuses on making customers for life.

In its recent second quarter, revenues, net income, and adjusted EBITDA grew 25%, 121%, and 35%, respectively.

As it grows in scale, it also is becoming more profitable with higher EBITDA margins (now 44%). It has a cash-rich balance sheet, which provides tonnes of optionality for growth this year and far into 2022.

Fool contributor Robin Brown owns shares of Descartes Systems Group.

Kay Ng: Algonquin Power & Utilities

If income is what you're seeking, you should check out **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) this month. The utility recently [made an acquisition](#) that is putting added pressure on the stock and driving its yield higher. At writing, the stock yields just north of 4.7%.

The Bank of Canada also just ended quantitative easing; the market is reacting by selling off stocks. So, you may be able to buy shares at a yield of +5%.

Algonquin's regulated utility and renewable power portfolio have demonstrated their ability to support a growing dividend. Algonquin has been increasing its dividend every year since 2010 with a five-year dividend-growth rate of 9.7%.

Fool contributor Kay Ng owns shares of Algonquin.

Amy Legate-Wolfe: Bombardier

Bombardier ([TSX:BBD.B](#)) reported earnings last month, and there were a few positive and negatives for investors to consider. While its loss of US\$377 million from a profit the year before isn't great, it managed to narrow the loss from the quarter before.

Bombardier stock has gone through quite the restructuring this past year. Now focused on business jets, it's managed to already sell 20 of its Challenger 3500 aircrafts. The total will come in at US\$534 million!

Revenue was also up for the quarter to US\$1.45 billion compared to US\$1.41 billion the year before, beating estimates.

As travel restrictions ease to bring on more private flights, sales could surge for Bombardier stock. In fact, the company has already surpassed 2019 levels.

Given the stock trades at a P/E ratio of 0.85, and at just \$2.15 per share at writing, this is one most can afford in their portfolios.

Fool contributor Amy Legate-Wolfe owns shares of Bombardier.

Stephanie Bedard-Chateauneuf: MTY Food Group

MTY Food Group ([TSX:MTY](#)), a franchisor and operator of quick-service restaurants, is my top stock for November.

More customers are going to MTY's restaurants, and that has a positive impact on its financial results.

Indeed, MTY posted higher revenues and profits in the third quarter. Its revenue totalled \$150.8 million

in Q3 2021, up 11.4% from the prior-year quarter. Profit came in at \$4.3 million, an increase of 6.1% from a year ago.

The company reinstated its dividend during the quarter with a payment of \$0.19 per share on August 13.

MTY Food recently announced that one of its wholly owned subsidiaries has entered an agreement to acquire the assets of Küto Comptoir à Tartares, a growing chain of tartar restaurants. According to Eric Lefebvre, MTY's CEO, Küto offers significant growth potential for years to come.

Fool contributor Stephanie Bedard-Chateauneuf has no position in any of the stocks mentioned.

Sneha Nahata: Cargojet

As we near the biggest shopping season of the year, I am bullish on **Cargojet** ([TSX:CJT](#)). Its next-day delivery capabilities and strong domestic network position it well to capitalize on higher demand during the fourth quarter, especially from the surge in e-commerce-related volumes. Notably, Cargojet's overnight national network enables next-day fulfillment to about 90% of the Canadian population, providing a solid competitive advantage.

Meanwhile, cross-border and international opportunities augur well for future growth. Further, its long-term contractual framework with cost pass through provisions and minimum revenue guarantee, fleet optimization, and sharp focus on cost management will likely cushion its earnings. Overall, Cargojet's leadership position in the domestic market and acceleration in demand suggests that the company is poised to deliver strong financials, which will drive its stock price higher.

Fool contributor Sneha Nahata has no position in any of the stocks mentioned.

Jed L Loren: Shopify

My top stock to buy in November is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). As I did last year, I'll point to the upcoming Christmas season as a reason to buy the stock. Over the next couple months, consumer spending is sure to ramp up. Much of this spending should occur via online channels. It would be a good idea to get in on the stock before other investors realize this potential. In addition, other major consumer events could propel the company forward. Last year, Shopify stores set a new record over the Black Friday-Cyber Monday weekend with \$5.1 billion in combined sales.

Fool contributor Jed L Loren owns shares of Shopify.

Jitendra Parashar: Waste Connections

Waste Connections ([TSX:WCN](#))([NYSE:WCN](#)) is my top pick for November. Its stock is currently trading at \$163.87 per share with 26% year-to-date gains. The company recently released its [upbeat third-quarter results](#). Its September quarter earnings rose by 23.6% year over year to US\$0.89 per share with the help of a 15% rise in its total revenue. Notably, it was the sixth consecutive quarter when Waste Connections continued to beat Street analysts' earnings expectations. Higher solid waste

prices and rising volume also encouraged the company to raise its full-year 2021 outlook and increase dividends.

Its improving growth prospects could be the reasons why Waste Connections stock has been yielding strong double-digit positive returns for the last six years in a row. While its stock doesn't have a very high yield at the moment, its recent earnings and dividend-growth trends make it worth considering for long-term income investors.

Fool contributor Jitendra Parashar has no position in any of the stocks mentioned.

Andrew Walker: Royal Bank

Royal Bank ([TSX:RY](#))([NYSE:RY](#)) avoided the worst-case scenario over the past 18 months, as government aid programs helped businesses and homeowners continue to make their loan and mortgage payments.

The company continues to deliver strong profits and is sitting on significant excess cash. As soon as the Canadian banks get the green light to restart dividend increases, investors should see a large distribution hike.

Looking ahead, higher interest rates appear to be on the way in 2022. This will put some borrowers in a tight spot, but rising interest rates are normally positive for banks. They can boost net interest margins and earn a better return on cash set aside to cover deposits.

Fool contributor Andrew Walker has no position in any of the stocks mentioned.

Aditya Raghunath: Algonquin Power & Utilities

My stock pick for November is **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)). A company valued at a market cap of \$11 billion, AQN has returned 403% to investors in the last 10 years in dividend-adjusted returns. However, it's currently down 21% from all-time highs, allowing investors to buy a quality company at a lower multiple.

Algonquin Power & Utilities derives two-thirds of its cash flows from utilities and the rest from its renewable energy portfolio. It's forecast to grow earnings by 37.5% in 2021 and by 15% in 2022, which suggests the stock is attractively valued given a forward price-to-earnings multiple of 20.3 and dividend yield of 4.6%.

Aditya Raghunath owns shares of Algonquin Power & Utilities.

CATEGORY

1. Investing
2. Top TSX Stocks

TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)

2. NYSE:AEM (Agnico Eagle Mines Limited)
3. NYSE:AQN (Algonquin Power & Utilities Corp.)
4. NYSE:LSPD (Lightspeed Commerce)
5. NYSE:RY (Royal Bank of Canada)
6. NYSE:SHOP (Shopify Inc.)
7. NYSE:WCN (Waste Connections)
8. TSX:AEM (Agnico Eagle Mines Limited)
9. TSX:AQN (Algonquin Power & Utilities Corp.)
10. TSX:BBD.B (Bombardier)
11. TSX:CJT (Cargojet Inc.)
12. TSX:DND (Dye & Durham Limited)
13. TSX:DSG (The Descartes Systems Group Inc)
14. TSX:LSPD (Lightspeed Commerce)
15. TSX:MTY (MTY Food Group)
16. TSX:RY (Royal Bank of Canada)
17. TSX:SHOP (Shopify Inc.)
18. TSX:WCN (Waste Connections)

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. crydburg
2. kduncombe

Category

1. Investing
2. Top TSX Stocks

Date

2025/08/12

Date Created

2021/11/01

Author

motley-fool-staff

default watermark