



3 Canadian Stocks You Shouldn't Hesitate to Buy

Description

Economists agree that business and commerce landscapes have changed significantly due to the global pandemic. While the health crisis forced many companies to scale down or close shop altogether, it was a [growth catalyst](#) to some in selected sectors.

Transportation & logistics, air cargo, and supply chain software are products and services that should be in high demand in the post-virus environment. Thus, you shouldn't think twice about investing in **TFI International** ([TSX:TFII](#)) (NASDAQ:TFFI), **Cargojet** ([TSX:CJT](#)), and **TECSYS** ([TSX:TCS](#)).

The companies are engaged in the essential businesses mentioned and are among the top [growth stocks](#) in the 2021 TSX30 list.

Record performance across the board

TFI International reported impressive financial results in Q2 2021. Its president and CEO Alain Bédard said, "The second quarter was historically significant for TFI International, with the closing of our UPS Freight acquisition and record performance across the board."

Bédard added it was the strongest in the company's history. Likewise, he said it was proof that the unprecedented crisis created a platform for growth and profitability. All of its business segments are scaling new heights. Revenue and adjusted net income growths versus Q2 2020 were 123% and 104%, respectively.

The \$13.21 billion company transportation and logistics services provider reported record results in Q3 2021. TFI's revenue climbed 124% to US\$2 billion compared to Q3 2020. In the nine months ended September 30, 2021, adjusted net income and net cash from operations grew 70% and 49% from the same period last year.

Hybrid is the new normal

Cargojet's core business is time-sensitive overnight air cargo services, but it offers aircraft leases too. The \$3.19 billion company realized a 17% year-over-year revenue growth in Q3 2021, although higher costs resulted in unexpected net earnings loss in the quarter.

Nevertheless, management will continue to benefit from the explosive sales in e-commerce. Cargojet's man at the helm, Ajay Virmani, said, "Hybrid is the new normal." He cited the massive digital adaptation by consumers in the last 18 months. Virmani sees some short-term volatility, because of the pent-up demand for in-person shopping, but the longer-term trends of shifting to online shopping are firm.

Market analysts recommend a [strong buy rating](#) for Cargojet. Their 12-month average price target is \$249.83 — a 35.5% return potential.

Solid profitability growth

TECSYS has rewarded investors with a 278.9% total return (55.02% CAGR) in the last three years. Based on analysts' forecasts, the current share price of \$55.04 could rise to between 18% and 27% in the near term. The \$798.36 million company provides critical supply chain management software globally.

Management's sales pitch is that TECSYS can equip customers' supply chain with greatness. Its software increases end-to-end supply chain visibility and helps users take control of supply chain uncertainties. The business is booming, evidenced by the Q1 fiscal 2022 results (quarter ended July 31, 2021).

Apart from the record revenue of \$33.2 million (18% year-over-year growth), it was the 10th consecutive quarter of record revenue. In fiscal 2021, TECSYS's profit from operations grew 59% to \$9.8 million versus fiscal 2020.

Excellent recovery plays

TFI (0.8%) and Cargojet (0.56%), and TECSYS (0.47%) are dividend payers, so would-be investors could earn two ways: with dividends and capital gains. The share prices are between \$55 and \$185. All three are excellent recovery plays.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:TFII (TFI International)
2. TSX:CJT (Cargojet Inc.)
3. TSX:TCS (Tecsyst Inc.)
4. TSX:TFII (TFI International)

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