



2 Stocks With Killer Earnings to Buy Now

Description

Investors were thrilled with the most recent quarterly reports of **TELUS** and **Canada Goose**. Both companies were in the [headlines](#) due to their killer earnings in Q3 2021. However, not to be outdone were **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) and **Imperial Oil** ([TSX:IMO](#)).

The alternative asset manager quadrupled its profits versus Q3 2020, while the oil producer's net income skyrocketed from last year. Their vastly improved financial results make them **TSX's** [top buys](#) today.

Over 400% profit growth

Brookfield Asset Management had a record US\$34 billion in inflows in the quarter ended September 30, 2021. Apart from the record inflows, its CFO, Nick Goodman, said the very strong financial results reflect continued growth and excellent investment performance across the franchise.

In Q3 2021, BAM's net income reached US\$2.72 billion, or a 402% year-over-year growth. The US\$94.65 billion company's monetization activity contributed US\$1.2 in distributable earnings. Over the last 12 months, total funds generated topped \$6.6 billion.

Revenue growth was 18% or US\$19.25 billion compared to US\$16.25 billion in the same period last year. Among the quarter's operational highlights was the robust fundraising momentum across BAM's businesses. It includes more than US\$30 billion of flagship funds in its latest round.

BAM's fee-related earnings also increased 21% to US\$451 million during the quarter and 25% to US\$1.8 billion over the last 12 months. Management expects to earn around US\$350 in fees annually once the company deploys US\$35 billion of additional committed but uninvested capital across its strategies.

The company is cash-rich, given the US\$80 billion in deployable capital. It consists of US\$14 billion cash, financial assets, and undrawn credit lines of BAM and its affiliates. It's also received US\$370 million from the sale of liquid financial assets. BAM's issuance of \$850 million long-dated bonds helped

boost liquidity.

Brookfield Business Partners, Brookfield Renewable Partners, Brookfield Property Partners, and Brookfield Infrastructure Partners belong to BAM's family. BAM currently trades at C\$75.72 per share (+46.04% year-to-date gain) and pays a modest 0.86% dividend. The stock's total return in the last ten years is 612.05% (21.66% compound annual growth rate).

Impressive turnaround

Imperial Oil's net income turnaround in Q3 2021 and the first three quarters of 2021 versus the same periods in 2020 were 905% and 2,377%, respectively. From \$3 million profit in Q3 2020, net income soared to \$908 million. In the nine months ended September 30, 2021, net income was \$1.66 billion compared to the \$711 million net loss last year.

Because of the strong integrated performance and rising commodity prices, Imperial oil generated cash flow from operating activities of \$1.94 billion in cash flow from operating activities. At the quarter's end, its free cash flow was \$1.68 billion.

The \$30.5 billion crude oil and natural gas producer outperforms BAM, Telus (+19.05%), and Canada Goose (+67.65%) with its 85.65% year-to-date gain. At \$43.85 per share, the dividend yield is a decent 2.46% dividend. Also, the trailing one-year price return is 106.06%.

Note that Imperial Oil is a subsidiary of American oil giant ExxonMobil. Likewise, it has a dividend track record of 140 years and has raised its [dividends](#) every year in the last 26 years.

Compelling buys

The earnings season is over, and investors hope for more stellar corporate earnings in the coming weeks. Meanwhile, you can include Brookfield Asset Management and Imperial Oil in your buy list this month.

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2. TSX:BN (Brookfield)
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