



4 Canadian Stocks That Could Outperform in 2022

Description

The rising COVID-19 cases due to the Omicron variant and the measures announced by the Federal Bank of the United States to tighten liquidity appear to have increased volatility in the equity markets. However, given the healthy growth prospects and favourable business environment, I expect the following four Canadian stocks to outperform in 2022.

goeasy

goeasy ([TSX:GSY](#)) is one of the consistent performers over the last 20 years, with its top and bottom line growing in double digits. Amid improving economic activities, loan origination has increased, [with its loan portfolio reaching \\$2 billion earlier this month](#). The company, which took around 13 years to reach \$1 billion of the loan portfolio in 2019, has doubled its business in two-and-a-half years since then.

Meanwhile, goeasy is expanding its geographical footprint, strengthening its digital channels, and adding new business segments to drive growth. Given its healthy growth prospects, the company's management hopes to grow its loan portfolio to \$3 billion by the end of 2023. The company also rewards its shareholders by raising its dividend consistently. For the last seven years, it has increased its dividend at a CAGR of 34%, with its forward yield standing at 1.49%.

Waste Connections

Waste Connections ([TSX:WCN](#))([NYSE:WCN](#)) is another excellent stock to have in your portfolio. The company has outperformed the broader equity markets this year, with returns of 28.7%. Meanwhile, I expect the uptrend to continue next year as well. Given the essential nature of its business, the demand for the company's services could continue to rise.

The growing energy demand could boost oil exploration and production activities, boosting the company's revenue from the segment. Waste Connections also focuses on strategic acquisitions to drive growth. In the first three quarters of this year, the company had acquired assets worth US\$240

million, which could increase its annualized revenue by \$100-\$150 million. Given its strong liquidity position, I expect it to continue its acquisitions to strengthen its competitive positioning. So, given its healthy growth prospects and excellent dividend track record, [I expect Waste Connection to deliver superior returns in 2022.](#)

BlackBerry

Third on my list is **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)), which has a significant presence in the cybersecurity space and electric vehicle market. The growth in digitization and remote working and learning has increased the spending on cybersecurity, expanding the addressable market for the company. To capture the growing demand, the company is focusing on innovation.

BlackBerry is also gaining ground in the electric vehicle market, with several design wins. The company's IVY platform, growing customer base, a higher percentage of revenue coming from recurring sources, and increasing market share in the IoT market augur well with its growth. So, I expect BlackBerry to outperform in 2022.

Nuvei

My final pick is **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)), which has been under pressure over the last few days amid a short report from Spruce Point Capital, which had raised several questions about its recent acquisitions. Amid the recent pullback, the company trades over 60% lower from its September highs.

However, digital transactions are rising amid e-commerce growth, benefiting Nuvei. The company is also bringing in new innovative products to expand its customer base and increase the average revenue per customer. Its strategic acquisitions and geographical expansion could drive its financials in the coming quarters. So, given its high-growth prospects and a significant discount on its stock price, I am bullish on Nuvei.

CATEGORY

1. Bank Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:BB (BlackBerry)
3. NYSE:WCN (Waste Connections)
4. TSX:BB (BlackBerry)
5. TSX:GSY (goeasy Ltd.)
6. TSX:NVEI (Nuvei Corporation)
7. TSX:WCN (Waste Connections)

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