



Planning to Invest \$4,000? 4 TSX Stocks to Buy in December

Description

With the emergence of the newer variant of the coronavirus, the volatility in the stock market remains high. However, it doesn't indicate that there aren't good investment opportunities in the market. Several high-quality TSX stocks have witnessed a healthy pullback from their peak, representing a solid buying opportunity for long-term investors.

So, if you plan to invest \$4,000 in stocks, consider buying the following four stocks.

BMO

With its diversified revenue streams, ability to drive loans, and operating leverage, **BMO** ([TSX:BMO](#))([NYSE:BMO](#)) is a solid stock to invest in for the long term. Looking ahead, I expect economic expansion and higher loans and deposit volumes to drive BMO's financials and, in turn, its stock price.

Meanwhile, solid credit quality and expense management could drive its earnings at a decent pace. Furthermore, BMO announced the acquisition of Bank of the West, which will likely expand its presence in the high-growth markets and support long-term growth.

Bank of Montreal is known for consistently paying dividends for a very long period. It recently announced a 25% increase in its quarterly dividend and currently offers a solid yield of about 4%. Moreover, its stock is trading at a price-to-book value multiple of 1.6, which is lower than peers.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)), in my opinion, is a must-have stock in your long-term portfolio. Though the economic reopening and normalization in demand trends suggest that Shopify's growth could moderate, I am [bullish about its prospects](#) and expect it to continue to grow rapidly and gain market share in the coming years.

The structural shift towards omnichannel platforms presents a multi-year growth opportunity for

Shopify. Meanwhile, continued investments to strengthen its fulfillment network, geographic expansion, and addition of high-growth sales channels position it well to capitalize on the favourable industry trends.

I expect Shopify to benefit from the higher penetration of its payments solutions. Meanwhile, continued growth in its merchant base, strong subscription solutions revenue, operating leverage, and solid balance sheet augur well for growth. Shopify stock has corrected nearly 21% from its peak, presenting an excellent opportunity to go long.

goeasy

Like Shopify, **goeasy** ([TSX:GSY](#)) is another solid bet that could [deliver sky-high returns](#) in the long run. goeasy's consistent financial performance (double-digit sales and earnings growth in the past 20 years) and solid dividend growth make it a top investment.

I expect goeasy's revenues to continue to grow rapidly on the back of higher loan volumes, increased loan ticket size, new product launches, geographic expansion, and acquisitions. Meanwhile, strong payments volumes and prudent expense management could continue to drive its earnings.

goeasy's has consistently hiked its dividends in the past seven years (CAGR of 34%). Moreover, its high-quality earnings base suggests that goeasy could continue to boost its shareholders' value through higher dividend payments in the future.

Cargojet

Cargojet ([TSX:CJT](#)) is another perfect stock for long-term investors. It has delivered multifold returns in the past and remains well positioned to outperform the benchmark index by a wide margin over the future years.

Thanks to the increased e-commerce demand and its next-day delivery capabilities, I expect Cargojet to continue gaining market share and delivering solid financials. Meanwhile, international growth opportunities suggest further upside.

Overall, Cargojet's focus on optimizing its fleet size and network capacity, long-term contracts, ability to increase pricing, and effective cost-control measures augur well for growth.

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1. NYSE:BMO (Bank of Montreal)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:BMO (Bank Of Montreal)
4. TSX:CJT (Cargojet Inc.)
5. TSX:GSY (goeasy Ltd.)
6. TSX:SHOP (Shopify Inc.)

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