



## If I Could Buy Just 1 Canadian Stock in 2022, This Would Be it

### Description

After two years of the pandemic impacting markets and being the most influential force, this year is shaping up to be much different. This makes it crucial to put a lot of thought into making sure that the Canadian stocks you buy for 2022 are truly the best.

Although it may not feel like much is different today due to the recent resurgence of the virus, experts still expect us to continue to make progress in getting the pandemic under control around the world this year. Furthermore, in North America, central banks are ready to start raising interest rates after months of considerably negative real interest rates.

So, with the market environment set to shift this year, it's crucial to make sure your portfolio is ready. In addition, it also creates a tonne of opportunities for investors.

These days, after the markets have been selling off, there are opportunities to go bargain hunting. And although, thanks to the stock market and electronic brokers, we can buy and sell hundreds of companies a day, even if I were restricted to buying just one stock this year, here's what it would be.

## One of the best Canadian growth stocks to buy and hold long term

While there are a tonne of high-potential stocks to buy on the market today, when you consider the long-term growth opportunities **goeasy** ([TSX:GSY](#)) offers, combined with how cheap it's trading, there's no doubt it's one of the best Canadian stocks to buy now.

goeasy is a specialty finance company. It offers loans to its consumers through its three main brands: easyhome, easyfinancial, and LendCare. It's not just personal loans that the company offers, though. It also provides lease-to-own services, auto loans, and even home equity loans.

Though the company typically issues loans to sub-prime borrowers, it's done a fantastic job of keeping loan losses low. Furthermore, a third of all easyfinancial customers end up graduating to a prime credit

rating, and roughly 60% of the borrowers increase their credit score within 12 months of borrowing.

So, not only does goeasy do a fantastic job of keeping its loan losses low, but it also sees a tonne of revenue from the larger interest rates it charges its borrowers.

## How is goeasy's stock priced?

After the volatility in recent weeks, goeasy's stock has sold off considerably, making now an excellent time for investors to consider buying one of the best Canadian growth stocks.

Currently, at just under \$160 a share, goeasy is down by more than 25% off its 52-week high, giving it an attractive discount. And not only is the stock discounted compared to where it's traded in the last 12 months, but its forward [price-to-earnings ratio](#) is now just 13.9 times. That's extremely cheap for a company like goeasy, which is growing so rapidly.

As I mentioned above, the company can charge a higher interest rate since its borrower's credit ratings are typically below prime. And because it manages to keep its loan losses low, the company has incredible margins leading to a tonne of profitability.

In just the last three years, goeasy has more than doubled its net interest income, while its total revenue has grown by over 60%. Meanwhile, goeasy's operating income has tripled over those last three years, thanks in large part to its consistently improving margins.

goeasy is an incredible stock, and despite its growth, it still only has a [market cap](#) of \$2.6 billion, giving it a lot more upside potential over the coming years.

So, if you're looking for a top Canadian stock to buy in 2022, there's no question that goeasy is one of the best to consider, especially while it's trading unbelievably cheap.

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## Date

2025/07/23

## Date Created

2022/01/11

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