



## 4 Top Canadian Stocks to Buy as Markets Trend Upwards

### Description

The Canadian equity markets continued their uptrend on Thursday, as investors looked comfortable about the outcome of the recently completed two-day meeting of the U.S. Federal Reserve. The **S&P/TSX Composite Index** rose 1.41%. After the rise, the index is trading close to its all-time highs. So, with the markets trending upwards, I expect these four Canadian stocks to outperform this year.

### goeasy

**goeasy** ([TSX:GSY](#)), which lends to non-prime customers, has been delivering consistent performance over the last 20 years, with its revenue and adjusted earnings per share (EPS) growing at a compound annual growth rate (CAGR) of over 12% and 31%, respectively. However, despite its substantial growth, the company has acquired just 1% of the highly-fragmented sub-prime lending market. So, it has significant scope for expansion.

With the relaxation of pandemic-related restrictions, economic activities could increase, boosting loan originations. Meanwhile, goeasy is expanding its product ranges, adding new business verticals, increasing its geographical footprint, and strengthening its distribution network to drive its growth. Further, the company has [increased its dividends](#) at a CAGR of 34.5% over the last eight years. So, given its growth initiatives, favourable market conditions, and attractive forward price-to-earnings multiple of 11.1, I expect goeasy to outperform this year.

### Bank of Nova Scotia

This month, the Bank of Canada had raised interest rates by 0.25% to curb surging inflation. Given the expanding economy and rising inflation, we can expect more interest rate hikes in the coming quarters. Interest rate hikes could expand the spread between the deposit and lending rates, thus creating a tailwind for banks. So, I have selected **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) as my second pick.

The company had reported a solid fourth-quarter performance earlier this month, with its adjusted EPS

rising by 14.4%. Meanwhile, the uptrend could continue amid growing loan origination, declining provisions for credit losses, and increased interest rates. The company had raised its interest rates by 0.25% earlier this month. With its exposure to emerging markets, the company offers long-term growth potential. Besides, the company's forward dividend yield stands at a healthy 4.31%, while its forward price-to-earnings multiple stands at 11. So, [I continue to be bullish on the Bank of Nova Scotia](#).

## BCE

With returns of close to 20%, **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) has outperformed the broader equity markets over the last 12 months. Its solid quarterly performances and growing customer base have increased its stock price. Meanwhile, the upward momentum could continue amid the rising demand for the internet due to digitization and increased adoption of hybrid work culture.

Meanwhile, BCE has accelerated its capital investments to expand its 5G coverage and broadband network. After adding around 1.1 million wireless home internet locations last year, management expects to increase the count by 900,000 connections this year. So, the company's growth potential looks healthy. Additionally, the company's solid balance sheet and a high dividend yield of 5.4% make it an attractive buy.

## Nuvei

Since reporting impressive fourth-quarter earnings on March 8, **Nuvei's** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) stock price has increased by 49.7%. However, the company still trades at over 50% discount from its 52-week high. Meanwhile, I expect the uptrend to continue, given its high-growth potential.

With rising e-commerce, digital payments are becoming popular. Further, the company is enhancing its global payment capabilities, expanding its customer base, and focusing on strategic acquisitions to drive growth. Meanwhile, the company is also expanding its presence in the cryptocurrency market. It has recently partnered with Ledger, which could expand Ledger users' funding and purchase options. It is also increasing its presence in the online gaming and sports betting space through geographical and customer base expansion.

## CATEGORY

1. Bank Stocks
2. Investing
3. Tech Stocks

## TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:BCE (BCE Inc.)
3. NYSE:BNS (The Bank of Nova Scotia)
4. TSX:BCE (BCE Inc.)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:GSY (goeasy Ltd.)
7. TSX:NVEI (Nuvei Corporation)

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## **Author**

rnanjapla

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