
# Retirement Wealth Creation 101: 3 TSX Stocks to Buy in Spring

### Description

There's no question that it's been a tough start for investors in retirement, but with spring underway, there's no denying that the stage seems better set for a relief rally that could see new highs be reached by year's end. Now, it's tough to kick off a year with a correction (a bear market for the Nasdaq 100), but that doesn't mean 2022 will be a write-off year.



There are three quarters left, and, at these depths, I think there's money to be made by those who are selective with their stock picks. So, whether or not this bear market carries into April and beyond, please consider the following three TSX stocks that are atop my watchlist going into the spring season.

## Alimentation Couche-Tard: On the right side of disruption

**Couche-Tard** (TSX:ATD) has been very choppy over the last year and for no real good reason. The stock is dirt cheap and has been unfairly dragged lower amid volatile market conditions. I think a strong case can be made for why Couche-Tard is among the most misunderstood of Canadian large caps. It's a convenience store and fuel retailer that's grown via M&A over the years. With EVs taking off, one may think that Couche will be on the receiving end of disruption. That is not the case. The firm is ready to adapt and is prepared to take convenience to the next level.

If anything, the EV disruption should be viewed as an opportunity for Couche to buy many of its peers at rock-bottom multiples over the coming years. Not many firms have the capital to adapt to the EV age. Many smaller peers will fail to do so and could be acquired by a behemoth in the space like Couche for an absurdly low amount. In any case, Couche is a great buy at 16.3 times earnings after a stellar round of Q4 2022 numbers.

## Bank of Montreal: The best of the batch?

**Bank of Montreal** (TSX:BMO)(NYSE:BMO) may seem like a random Big Six selection, but it's not. I believe it's one of the strongest banks, not only on the TSX, but in North America. The bank looks primed for above-average growth. Management wouldn't have increased the dividend by 25%

otherwise.

With the acquisition of Bank of the West, the bank has the foundation to bring its U.S. banking to the next level. As rates rise, BMO will enjoy a nice tailwind, all while it looks to catch up to its larger three peers in the Big Six. In terms of growth and valuation, it's really hard to beat BMO stock here. Add the capabilities of management and their incredible tech-savvy approach, and I think BMO could be a top-two bank to own for the next 10-15 years. As the $99 billion bank looks to enter triple-digit market cap territory, I'd look to buy while shares are still below 12 times trailing earnings.

## CN Rail: New boss and new targets

Finally, **CN Rail** (TSX:CNR)(NYSE:CNI) is a rail stock that could make good on a questionable 2021 that saw the company lose an epic bidding war. With a new CEO and a potential alleviation of COVID headwinds, I'd argue that CN could be in a spot to outperform the TSX moving forward. If CN can improve its operating ratio as volumes surge, expect considerable multiple compression from the $116 billion railway empire.

CN is a wonderful business, and I think the new top boss in Tracy Robinson will be on a mission to make CN the best that it can be. She's a smart manager and will be eager to bring CN back to its old market-crushing form. At 23.9 times trailing earnings, with a 1.8% yield, CN stock is nothing short of compelling.



**CATEGORY**

1. Investing

**TICKERS GLOBAL**

1. NYSE:BMO (Bank of Montreal)
2. NYSE:CNI (Canadian National Railway Company)
3. TSX:ATD (Alimentation Couche-Tard Inc.)
4. TSX:BMO (Bank Of Montreal)
5. TSX:CNR (Canadian National Railway Company)

**PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

**PP NOTIFY USER**

1. joefrenette
2. kduncombe

**Category**

1. Investing

**Date**
2025/08/24
**Date Created**
2022/03/21
**Author**
joefrenette