



Massive Growth on the Horizon for 3 TSX Companies

Description

A **CIBC** World Markets Equity Strategist said at year-end 2021 that about \$120 billion will be returned to shareholders by TSX companies in 2022. Analyst Ian de Verteuil made the bold prediction before the Russia-Ukraine war erupted in February 2022.

Besides the geopolitical tension, soaring inflation threatens the stability of the financial markets, including Canada's primary stock exchange. The TSX, however, continues to display resiliency, despite the strong headwinds. More importantly, [growth investors](#) have excellent buying opportunities.

Rogers Communications ([TSX:RCI.B](#))([NYSE:RCI](#)), **Maple Leaf Foods** ([TSX:MFI](#)), and **Converge Technology Solutions** ([TSX:CTS](#)) are interesting options right now. The stocks' breakout is imminent, given the growth potential on the horizon.

One down, two to go

The proposed mega-merger in the [telecommunications industry](#) between Rogers Communications and **Shaw Communications** might happen after all. The takeover by Rogers needs two more hurdles and the decisions should be forthcoming. RCI.B has risen 10.5% since the Canadian Radio-Television and Telecommunications Commission (CRTC) granted conditional approval for the deal on March 24, 2022.

Jerome Dubreuil, a telecommunications analyst at Desjardins Securities Inc., said, "If you consider that the deal will happen and all of the synergies that management expects will happen, the stock is definitely too cheap." As of this writing, the telco stock trades at \$73.89 per share (+23.58% year to date) and pays a 2.71% dividend.

CRTC chairperson and CEO Ian Scott said the commission's approval included safeguards to address potential risks to the broadcasting system for both consumers and programming services. Still, the deal is pending and awaiting the green light from the Competition Bureau and Innovation, Science and Economic Development Canada.

Iconic portfolio

Market analysts are bullish on Maple Leaf Foods and recommend a buy rating. Their 12-month average price forecast is \$40.67, or a 41.1% jump from the current share price of \$28.82. The stock has a solid dividend, and the overall return should be higher if you factor in the 2.57% yield.

The \$3.57 billion consumer protein company boasts a unique and iconic portfolio of brands. According to management, it developed a foundation to pursue [compelling growth vectors](#) across its business and to create value for all stakeholders. Despite the supply chain chaos in Q4 2021, total sales and adjusted operating earnings in full-year 2021 increased 5.1% and 0.4% versus the full year 2020.

For 2022, the company estimates the Meat Protein group to deliver an EBITDA margin between 14% and 16%. However, the Plant Protein group should see more modest growth.

Profitable initiatives

The technology sector underperforms in 2022, yet exciting prospects are available. Converge Technology Solutions's profitable initiatives are a compelling reason to invest in the tech stock. The share price of \$9.09 is absurdly cheap, if not [undervalued](#). Based on market analysts' forecasts, the potential gain in 12 months is 52.7% on average.

This \$1.95 billion software-enabled IT & Cloud Solutions provider implements a multi-faceted approach to meet the unique business and technology requirements of clients, public and private. On April 1, 2022, management announced the acquisition of Creative Breakthroughs, Inc. (CBI). The Michigan-based cybersecurity solutions is Converge's 30th acquisition to date.

Buy list

Given the business growth potential of the three TSX companies in focus, investors should include the stocks in their buy lists this month.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. TSX:MFI (Maple Leaf Foods Inc.)
3. TSX:RCI.B (Rogers Communications Inc.)

PARTNER-FEEDS

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