



## 2 Canadian Stocks to Buy That Could Be Massive Long-Term Winners

### Description

This is the perfect time to pick long-term winners in the ongoing [bear market](#). Here are my top picks for 2023 and beyond!

### Winner #1

**Waste Connections** ([TSX:WCN](#)) continues to outperform the overall market thanks to a resilient and essential core business. Waste management is absolutely essential, regardless of the prevailing economic situation. The stock is up by more than 3% while the TSX Index is down by about 5% this year.

Waste Connection remains a solid pick amid the turmoil in the market due to the nature of its business. The company provides non-hazardous waste collection services in the U.S. and Canada. It also offers transfer disposal and resource recovery services. Given that there will always be a waste, the company will always record business owing to demand for its services.

The company delivered solid third-quarter results. Revenues was up to \$1.88 billion — a 17.7% year-over-year increase. Adjusted earnings landed at \$1.10 a share, increasing 23.6% year over year. The company has since raised its full-year guidance, signaling expected strong growth for the next year. Full-year revenue is expected at \$7.19 billion, up from the previous guidance of \$7.12 billion.

The stock trades at a [price-to-earnings multiple](#) of 24 — a justified valuation for a robust business. The stock even has a vote-of-confidence from Bill Gates, who owns a stake worth \$290 million. Canadian investors can't go wrong with this pick.

### Winner #2

**Toromont Industries** ([TSX:TIH](#)) is another robust industrial stock. However, it has underperformed the wider market this year. The stock has lost 11% in market value year to date. In contrast, the TSX is only down by about 5%.

The company's core business — selling, renting, and servicing mobile equipment for **Caterpillar** — could be affected by high inflation and the economy plunging into recession.

Nevertheless, Toromont reported a solid third quarter. Revenue in the quarter was up 14% year to date to \$142.4 million, driven by an 11% increase in equipment sales. Product support revenues were up 19% on increased demand as rental revenues grew 13%.

Toromont ended up posting a 26% increase in operating income as net earnings increased 31% year over year to \$29.4 million. Backlogs as of the end of the third quarter stood at \$1.4 billion compared to \$1.1 billion as of the same period last year. The high backlog signals strong order activity.

The impressive financial results and solid cash position underscore why Toromont is still a Dividend Aristocrat at a time when most companies are conserving capital. The 1.54% dividend yield isn't particularly exciting but is certainly reliable.

The stock currently trades at a price-to-earnings multiple of 21. Toromont is an exciting pullback play for dividends amid solid underlying fundamentals. Investors looking for a safe place to park their cash should add this stock to their watch list.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. TSX:TIH (Toromont Industries Ltd.)
2. TSX:WCN (Waste Connections)

## PARTNER-FEEDS

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

## PP NOTIFY USER

1. kduncombe
2. vraisinghani

**Category**

1. Investing

**Date**

2025/07/19

**Date Created**

2022/12/01

**Author**

vraisinghani

default watermark

default watermark