



## 2 Top Stocks to Buy in 2023

### Description

Investors have been weighing the potential damage from the coming [recession](#), holding off on risk-on equities and rotating into safer, less-volatile assets. Indeed, 2022 was a year where even supposedly safe assets like bonds faced pressure. Over the longer run, I think bonds could prove a riskier asset class than many think. In any case, those who haven't been scared out of the equity markets yet should probably consider giving the many beaten-down names another look while they're in the midst of their ruts.

Indeed, a relief rally beginning before a recession has begun is unprecedented. How can the markets find their footing before a recession has yet to kick off?

Undoubtedly, the 2020s has proven to be a decade full of surprises and unprecedented events. With that in mind, it wouldn't be all too far-fetched to think that markets can look past a "mild" recession, even before it's officially started. Further, there's no guarantee we'll even fall into a recession. Though most pundits are expecting one, the avoidance of a downturn could entail considerable relief on risk assets.

In any case, investors must be ready for anything. Bullish or bearish surprises, you should have a plan and stick to it, as this market roller coaster continues! Remember, a part of the deal of being an investor is strapping in for the ride. One doesn't build their nest egg through equities over time without experiencing the ups and downs.

In this piece, we'll look at two intriguing stocks that I think could outperform the TSX in 2023.

## Top stock for 2023 #1: Restaurant Brands International

**Restaurant Brands International** ([TSX:QSR](#)) is a fast-food underdog behind Popeyes, Burger King, and Tim Hortons. Each brand has lost a bit of its lustre over the years, as rivals in the space heated up, with menu innovation and intriguing new concepts that QSR hasn't been too quick to keep up with.

The Restaurant Brands of old is ready to adapt. The managers have committed to spending billions on

growth initiatives to make itself more relevant to modern customers.

With Patrick Doyle, one of the brightest minds in the quick-serve restaurant industry, on the team, look for Burger King (and eventually the other brands) to become “cool” again through the eyes of customers that may have been drawn in by other intriguing fast-food chains in recent years. In prior pieces, I’ve praised the addition of Doyle and think he could be the man to make QSR one of the leaders in the fast-food scene.

Sure, fast food is a tough place to thrive in. But don’t count QSR and its timeless banners out of the game, as they look to shift into high gear in a potential recession year that could see fast-food firms continue to gain ground over dine-in restaurants.

## Top stock for 2023 #2: Parkland Fuel

**Parkland Fuel** ([TSX:PKI](#)) is another underdog that many Canadian investors may be quick to count out. The fuel retailer hasn’t shined as brightly as some of its peers in the space. Regardless, I think Parkland will land on its feet. After it does, it’s tough to tell where the old-school retail giant will head next. Indeed, the rise of electric vehicles has caused some investors to sour on gas station companies. Still, electric vehicles won’t replace gas cars overnight.

Further, Parkland could make deals (think M&M Meat Shops) that make it merchandising business that much stronger, as fuel sales look to hit a snag. Indeed, M&M and other mergers and acquisitions are promising drivers that could help Parkland rally higher from here. Today, the stock is down nearly 40% from its high. At 19.2 times trailing price to earnings, I view PKI stock as a terrific [value](#) play for those seeking steep discounts in the mid-cap space.

## Bottom line for TSX investors

QSR and PKI are intriguing firms that have a means to march higher. With muted expectations for coming quarters, I expect big things from the two Canadian firms, as they look to take matters into their own hands.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:PKI (Parkland Fuel Corporation)
2. TSX:QSR (Restaurant Brands International Inc.)

### PARTNER-FEEDS

1. Business Insider
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2. kduncombe

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joefrenette

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