My Take: The Best All-Round Canadian Stock to Buy Right Now

Description

Stock prices have suffered as a result of the economy's sluggish growth, persistently high inflation, and swiftly rising interest rates, which suggest a recession may be approaching. However, compared to overseas markets, the climate for stocks in Canada seems favourable. High oil prices, appealing market values, and above-average inflation should all be favourable for Canadian stocks. Investors may also benefit from active management during these uncertain times.

In such a scenario, an all-rounder stock such as **Restaurant Brands** (TSX:QSR) is a must in an investor's portfolio. This can help mitigate risk and elevate chances of gains in the long run.

Let's dive in.

Why is Restaurant Brands so dear to Canadian investors?

One of the most well-liked restaurant stocks in Canada is Restaurant Brands International. It is one of the largest fast-food restaurant chains in the world.

With a market cap of just under $40 billion at the time of writing, the holding firm operates quick-service restaurants. It is the home of some of the most well-known fast-food brands in North America, including Burger King, Popeyes Louisiana Chicken, Tim Hortons, and Firehouse Subs — its most recent addition.

The company now pays a modest 3.3% dividend yield with a payout ratio of 60%, and analysts expect this distribution to rise at a high single-digit rate over the next few years. The company is also planning to expand its business in various countries like South Korea, India, Indonesia and other regions, implying further growth in revenue, profit, and stock price.

Why you should add Restaurant Brands to your portfolio

As a defensive option in this volatile market, Restaurant Brands makes a lot of sense. Folks need to eat, and, in difficult times, that can mean eating out at your favourite fast-food joint rather than your usual fine-dining spot. Accordingly, many view the quick-service restaurant space as one of the “cheap luxuries” consumers are unlikely to give up, even in the worst of times.

The company’s growth prospects remain robust, with 14% system-wide sales growth this past quarter highlighting this fact. While the company recently missed expectations with its earnings report, Restaurant Brands’s future growth prospects in Asia are enticing to long-term investors.

Personally, I think QSR stock is one to buy and hold for the very long term. This is a stock that may see near-term volatility. But on dips, I’m going to be a buyer moving forward. This is my biggest holding for a reason.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:QSR (Restaurant Brands International Inc.)

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. chrismacdonald
2. kduncombe

Category

1. Investing

Date
2025/08/14
Date Created
2023/02/16
Author
chrismacdonald