BMO chief strategist’s top picks for Canadian GARP stocks

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PUBLISHED APRIL 27, 2023

*Daily roundup of research and analysis from The Globe and Mail’s market strategist Scott Barlow*

BMO chief strategist Brian Belski is positive on Canadian growth at a reasonable price (GARP) stocks,

“Growth at a Reasonable Price (GARP) remains one of our key style preferences for Canadian equities in 2023. Indeed, the TSX continues to exhibit a record valuation spread against the S&P 500, while still posting growth rates at or above global peers … the TSX in general and most sectors in the TSX show strong relative value compared to their US peers. Furthermore, earnings growth and revision trends are broadly consistent with the S&P 500, suggesting there are likely many opportunities developing in Canada to implement a growth at a reasonable price strategy … We believe [our] tactically diversified portfolio will capture the earnings rebound, while mitigating correction risk as markets navigate the end of the tightening cycle "

The stocks on the GARP list are Rogers Communications, Quebecor, Telus Corp., Canadian Tire, BRP Inc., Magna International , Restaurant Brands International, Saputo Inc., Loblaws Co. Ltd., ARC Resources, Canadian Natural Resources, Cenovus Energy, Enbridge, Parex Resources, Suncor Energy, Tourmaline Oil, TC Energy, Bank of Montreal, Brookfield Corp., CI Financial Corp., Canadian Western Bank, EQB, Manulife Financial, National Bank, Royal Bank, Sun Life Financial, TD Bank, CAE Inc., Canadian national Railway Co., Finning International, Stantec, TFI International, Evertz Technologies, CGI Inc., Open Text Corp., B2Gold, Equinox Gold, First Quantum Minerals [disclosure: I own a position in this one] , New Gold Inc., Nutrien Ltd., Teck Resources, Altagas Ltd., Emera Inc. and CT Reit.