2 Great Canadian Stocks to Buy for Upside

Description

For investors seeking to grow their wealth over the long term with slightly riskier stocks than the usual round of utilities, apartments REITs, and consumer staples, there are plenty of downtrodden bargains to be had right now. Today, we'll look at a dividend stock with a high yield and a popular Canadian clothing brand that could reward investors with significant capital gains over the long term.

This yield will have new investors cooking with gas

As a hot investment in the oil and gas space, investors can't do much better than **Inter Pipeline** (TSX:IPL) with its fairly wide economic moat and satisfying dividend. The midstream giant currently yields 7.73% at today's prices, after a fairly flat year for the pipeline player and gas producer, which has seen growth of just a few percentage points. Still, momentum investors should note that the stock trades 19% above its 52-week low.

One of Alberta's top businesses, Inter Pipeline, is a solid play for liquid gas, and arguably the best midstream stock besides **Enbridge**. Developments in the pipeline space should see midstream giants such as Enbridge and Inter Pipeline soar in coming years as Canada undergoes a potential oil boom. With a possible downturn in U.S. output, the race to drain the oil patch could take on greater urgency, benefitting Inter Pipeline.

Don't pluck this stock from your portfolio just yet

Canada Goose (TSX:GOOS)(NYSE:GOOS) is still a popular brand not only within the country but also in places as far flung as China. In fact, to take the Asian economic powerhouse as an example, Canada Goose could offer a play on international trade, especially if the U.S. and China find a way to bury the hatchet. With a branch in Beijing, the luxury outdoor clothing company is a strong play for foreign growth.

Speaking of growth, Canada Goose has been in something of a slump of late, with the meteoric gains of last year that saw the iconic brand's stock break through the $90 ceiling. Since then the stock has incurred losses of 24.2%. Still, for momentum investors looking to cash in over the shorter term, the fact that Canada Goose is currently selling at around 30% higher than its 52-week low is significant.

While China's slowdown could be partly behind the slump Canada Goose has found itself in over the past year, a turnaround in developments with the trade war could see the famous parka manufacturer soar in the long term. Indeed, strange as it may seem, the political situation south of the border could have an indirect but significant impact on Canada Goose's share price. In short, it may be worth following the international news.

The bottom line

Packing Inter Pipeline and Canada Goose into a TFSA could be a smart way to reap the rewards of capital appreciation and a rich dividend yield over the coming years. Their areas of business couldn't be more different, though their mix of attractive value fundamentals, rewarding income, and fairly wide moats in their respective industries make both companies solid additions to a TSX stock portfolio in the long run.

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