



Canadian Investors: 3 Top TSX Stocks for December

Description

The Canadian stock market has hosted some truly incredible stocks in recent decades. Some have returned more than 10,000%, while others have increased their dividends for 30 years straight. Whether you prefer growth, income, or both, the TSX has a stock for you.

This fall, several notable TSX stocks have gone [on sale](#). This month could be your last chance to scoop up these winners at a discount. Dig in, as there's a little something for everyone.

Protect your assets

Economists and fund managers are increasingly worried about a recession in 2020. With **Hydro One** ([TSX:H](#)) stock, you can sleep easy.

Hydro One is one of the largest energy distributors in Canada, with transmission lines covering 98% of Ontario. Its secret to stability is that 99% of its cash flow is rate regulated. Every year, the company is guaranteed a certain price that it can charge customers. And it's not just any guarantee: it's a government guarantee.

Knowing how much you can charge customers in advance is a huge benefit. Often, these rate regulations extend years into the future, so no matter what happens over the next 12 months, Hydro One can maintain the same level of profit. The stock currently pays a 4% dividend, which should remain rock solid, even throughout a severe market downturn.

If you want to protect your assets, this is the stock to own.

Achieve nirvana

Want to protect your assets *and* grow your capital? **Canadian Utilities** ([TSX:CU](#)) stock is as close as it gets to achieving investor nirvana.

Around 86% of earnings are regulated. That's not as high as Hydro One, but it's still impressive. The other 14% of earnings aren't incredibly volatile either, as they're generated from long-term contracts. The company maintains an "A" credit rating and has an impressive history of rewarding shareholders.

Canadian Utilities now has a 47-year streak of increasing its dividend, the longest of any publicly traded Canadian company. The yield now stands at 4.3%. Since 1980, the stock has generated an annual total return of 12.2%. Management is still investing more than \$1 billion per year to grow its regulated earning stream, so this really is the ideal stock for income, growth, and stability.

Grow faster

Are you willing to give up some stability in exchange for massive upside? **HEXO** ([TSX:HEXO](#))(NYSE:HEXO) is for you.

Everyone knows that the cannabis market is growing like a weed. Over the next decade, legal marijuana sales could jump by 1,000%, reaching \$100 billion worldwide by 2030. If the U.S. legalizes cannabis on a federal level, the global market size could triple overnight.

The question now is: how do you capitalize on this growth? HEXO looks like your best bet for multiple reasons.

Most pot companies are focused on becoming direct market players. That is, they're growing weed and selling it to consumers. HEXO is taking a differentiated approach by sticking to the shadows.

Instead of competing directly, it's partnering with Fortune 500 companies like **Molson Coors Canada** to co-create high-quality cannabis products that leverage existing brands. In 2020, it wants to team up with other well-known brands to target new verticals like sleep aids, beverages, edibles, cosmetics, and more.

Other pot stocks are starting their businesses from scratch. By partnering with major, pre-existing brands, HEXO is looking to get a head start on the competition. This strategy isn't appreciated by the market yet, but a few more partnerships could shift the narrative quickly.

CATEGORY

1. Cannabis Stocks
2. Dividend Stocks
3. Energy Stocks
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POST TAG

1. Cannabis

TICKERS GLOBAL

1. NASDAQ:HEXO (HEXO Corp.)
2. TSX:CU (Canadian Utilities Limited)

3. TSX:H (Hydro One Limited)
4. TSX:HEXO (HEXO Corp.)

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