



## TFSA Investors: Top 3 Future Stocks

### Description

The market crash and subsequent market rally in 2020 served up some great opportunities for TFSA investors. **Shopify** has been the big story this spring, as it managed to more than double its price from mid-March to early May. However, there are several fantastic stocks that will fit right in with a future-oriented TFSA this year. The stocks I will look at today offer an enticing blend of growth potential, reliability, and income.

### One renewable energy stock that TFSA investors can hold forever

Renewable energy generation had a banner year in 2019. For the first time in history, renewable energy outpaced coal and provided 23% of U.S. power generation in April of last year. In the first half of 2019, wind and solar made up roughly 50% of total U.S. renewable electricity generation. The COVID-19 pandemic has accelerated many business trends, and the [push for green energy](#) has only grown louder in this crisis.

**TransAlta Renewables** ([TSX:RNW](#)) is a Calgary-based company that develops, owns, and operates renewable power-generation facilities. Its shares have dropped 11% over the past three months as of close on May 28. However, the stock is still up 11% from the prior year. The company released its first-quarter 2020 results on May 12.

Earnings were in line with expectations in Q1, which demonstrated TransAlta's ability to weather the headwinds of the COVID-19 pandemic. Adjusted funds from operations (AFFO) were mostly flat compared to Q1 2019 at \$94 million. Comparable EBITDA rose \$2 million year over year to \$118 million.

Shares of TransAlta last had a favourable price-to-book value of 1.7. The company boasts a fantastic balance sheet, and it is a worthy target for income investors. It last declared a monthly distribution of \$0.07833 per share, representing a 6.5% yield. That is tasty tax-free income coming in every month for TFSA investors.

## This food company made a smart bet last decade

**Maple Leaf Foods** ([TSX:MFI](#)) is an Ontario-based consumer protein company. Shares of Maple Leaf have climbed 18% over the past three months as of close on May 28. **Beyond Meat** had a [meteoric rise](#) after its IPO back in the spring of 2019. This was because of the excitement surrounding the plant-based meat alternatives market.

BIS Research recently projected that the global plant-based food and beverage alternatives market would reach \$80 billion worldwide by 2024. This would represent a CAGR of 13% over the forecast period from 2019 onward. Maple Leaf bet big on this market with the acquisition of Lightlife in early 2017. The move has already paid off big. In the first quarter of 2020, Maple Leaf's Plant Protein Group posted sales growth of 25.9%.

TFSA investors who want exposure to this exciting market should consider stashing Maple Leaf stock today.

## One top Canadian tech stock

**Kinaxis** has emerged as a star on the TSX in 2020. Its stock has climbed 70% in 2020 as of close on May 28. Kinaxis offers TFSA investors exposure to the fast-growing supply chains and operating planning software market as well as artificial intelligence development. Moreover, the company possesses an immaculate balance sheet. Kinaxis is pricey in late May, but this is a stock to hold in your TFSA for many years to come.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. TSX:MFI (Maple Leaf Foods Inc.)
2. TSX:RNW (TransAlta Renewables)

### PARTNER-FEEDS

1. Business Insider
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