



5 TSX Stocks I'd Invest \$5,000 in Right Now

Description

In today's market, any investment in **TSX** stocks has to be for the long term, and the stocks need to have two qualities.

First, they need to be top-notch businesses that are major players in their industries, preferably with a considerable competitive advantage.

Second, the stocks have to have defensive business models and be able to withstand the coronavirus pandemic.

Air Canada, for example, is a high-quality business that's a leader in the Canadian air travel industry. However, the stock is being significantly impacted by the coronavirus, so in my view, it's not worth an investment today.

Here are five of the top TSX stocks to consider investing in right now.

Green energy TSX stock

The first stock on the list is the leading renewable energy stock on the TSX, **Northland Power** ([TSX:NPI](#)).

Northland Power owns several green energy-generating assets in Canada as well as Europe. The stock is attractive for two reasons. First, it has extremely strong as well as defensive operations. Management expects the company to earn roughly \$2 per share in free cash flow during 2020.

Also, its long-term growth projects look very exciting. These should add considerable value to the company and continue to allow Northland to expand its earnings potential.

Currently, the stock trades just off its 52-week high; however, it's still an exceptional buy for long-term investors.

Telecom stock

Another high-quality stock to consider today is **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). BCE is the largest telecom in Canada and has a highly defensive business model.

It has seen an impact on its media division as well as some impact from telecom services to businesses. However, for the most part, during the pandemic, it's been business as usual at [BCE](#).

Management even decided to go ahead with its pre-planned capex spending rather than delaying it until the end of the pandemic, like almost every other TSX stock did.

At the moment, there is considerable long-term upside in the stock. Also, its dividend, which is raised often, yields 5.8%.

TSX pipeline stock

One of the best value stocks on the TSX today is the midstream energy company **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)).

Pembina has a crucial role in Western Canada, and although it may see some impacts on its business, its operations are resilient enough that it can handle these short-term headwinds.

This is crucial for long-term investors willing to hold the stock and wait. There is considerable opportunity for upside in the shares considering Pembina is still trading roughly 35% off its 52-week high.

Plus, Pembina's stock pays an exceptional dividend yielding more than 7.2%.

Consumer staples stock

One stock you surely can't go wrong buying today is **Metro** ([TSX:MRU](#)). [Consumer staples](#) stocks are always reliable businesses to own during a recession. Plus, Metro has had some strong performance as of late.

The company has seen a significant uptick in sales since the start of coronavirus. This uptick in sales increased its same-store sales by nearly 10% in the second quarter of its fiscal 2020.

This increase in same-store sales resulted in a roughly 8% increase in revenue. That's a massive jump and is crucial to help Metro cover the extra costs of coronavirus and grow its net earnings.

Metro itself isn't super undervalued. However, it's a great long-term investment and a perfect TSX stock to own through periods of uncertainty.

TSX gold stock

The last stock to consider today would be a rapidly growing, high-quality gold stock like **Equinox Gold** ([TSX:EQX](#)).

Equinox has been ramping up production and growing through acquisition at a time when gold prices are skyrocketing. This has combined to give EQX shares a 190% increase since the beginning of 2019.

Today, Equinox continues to represent a strong opportunity for long-term investors. After transitioning into an intermediate gold producer, the stock is still somewhat priced like a junior.

The stock has been rallying considerably as of late, however, so investors should look to gain exposure sooner rather than later.

Bottom line

Most TSX stocks are pretty fairly valued these days. This means there likely won't continue to be massive share price gains in the near term. So, make sure to have a long-term mindset and buy high-quality stocks such as these five.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:BCE (BCE Inc.)
4. TSX:EQX (Equinox Gold Corp.)
5. TSX:MRU (Metro Inc.)
6. TSX:NPI (Northland Power Inc.)
7. TSX:PPL (Pembina Pipeline Corporation)

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