



Got \$3,000 to Invest? Buy These 3 TSX Stocks

Description

If you have money to invest, you may be wondering where to start. A lot of **TSX** stocks have rebounded considerably in the last few months. This doesn't leave investors with many options to buy undervalued stocks.

Furthermore, we are still in the thick of the pandemic, and most high-quality stocks are trading back near their pre-pandemic highs.

Despite this rally and the underlying economic environment, there are still some TSX stocks for investors to buy.

However, because of the uncertainty, investors will need to make sure they buy only the best stocks for this environment. These are going to be high-quality businesses, blue-chips, or stocks that offer investors defence against more market turmoil.

Here are three TSX stocks that I would invest my money in today.

Consumer staple TSX stock

The first stock to consider is one of the most well-known consumer staple companies in Canada: **Loblaw Companies** ([TSX:L](#)).

Loblaw owns a massive portfolio of high-quality grocery store brands across Canada. That's one of the reasons I'd buy the stock today. In the current environment, with so much economic uncertainty, owning defensive businesses has much lower risk.

Plus, in addition to all the grocery stores it owns, Loblaw has complemented them with Shoppers Drug Mart, the biggest pharmacy chain in Canada.

The massive market share Loblaw has between grocery and pharmacy has helped make its loyalty program one of the best in the nation. Furthermore, it promotes more customer loyalty and is a boost to

its ancillary businesses, such as its President's Choice credit card and financial services business.

This just goes to show everything Loblaw has going for it. It also shows why it's such a top business to own long term and a perfect stock to buy in this environment. Plus, investors with cash today can buy the TSX stock at an extremely attractive price, trading more than 15% off its 52-week high.

TSX utility stock

Another great business to own in this environment is a utility stock. One of the [top utility stocks](#) on the TSX is **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)).

Fortis is a massive \$20 billion utility company that's mostly electric utilities as well as some gas. The company has also recently gained some exposure (albeit small) to electricity generation.

Utilities are great because they are low risk; however, Fortis takes it a step further, operating in several different regulatory jurisdictions. Furthermore, the most income it earns from one segment is 34%. So, it's done a great job to diversify its main exposure.

In addition to being attractive for its defensive business and stable 3.8% dividend, the company is also one of the top dividend-growth stocks on the TSX.

Fortis now has 47 consecutive years of dividend increases; and going forward, it's targeting a 6% compounded annual growth rate in its dividend through 2024.

Green energy stock

The third and final top TSX I would buy today is **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)).

Green energy is a perfect long-term industry for investors. Numerous governments continue to push for more clean energy. This will be a huge tailwind for renewable energy businesses that can continue to grow and develop their asset portfolios.

Not only that, but power generation is an industry that's generally highly defensive, since we continue to demand electricity, whether the economy is booming or not.

Brookfield, specifically, is a top investment company and one of the best choices for investors interested in green energy. The company is considerably bigger than its TSX peers and an ideal stock to [hold for decades](#).

And even though it's already a massive company, it continues to plan more growth projects with its more than \$3 billion in liquidity. On top of all that, it also pays a solid dividend that currently yields roughly 4.6%.

Bottom line

Now is as good a time as any to buy TSX stocks. Just bear in mind the environment we are in and all

the uncertainty that exists. This way, you'll make sure to buy the best TSX stocks, which will continue to protect and grow your capital.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:FTS (Fortis Inc.)
5. TSX:L (Loblaw Companies Limited)

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