Investing $1,000 in These 3 Top TSX Stocks Would Be Genius Right Now

Description

It might seem like the worst is behind us. After a market crash in mid-March, with markets falling about 40% between the end of February and March, shares have come roaring back. But in the past week or so, there has been a levelling off across the board. It could be that economist predictions are coming true: another market dip is coming.

While it's unlikely to be as bad as the first one, another dip in the markets means you should be packing your portfolio. It's the best time to take a good hard look at your portfolio and sell while the market is level, reinvesting in bargain blue-chip companies.

So if you have even just $1,000 to invest, I would consider these three top stocks.

Bank on a bank

The first stock you should consider right now are bank top stocks. Canada's Big Six Banks fared as some of the best in the world during the last financial crisis more than a decade ago. Today, while banks will see losses, those losses are backed by trillions in assets. Many prepared for the inevitable, including **Royal Bank of Canada** (TSX:RY)(NYSE:RY).

Royal Bank is Canada's biggest bank by market capitalization, with a solid history of growth and dividend payouts. The company's earnings weren't great for the second quarter of this year, but weren't terrible either. Net income was down 54% compared to the same time last year, with credit losses reaching $2.83 billion, an enormous increase.

However, despite net income being down, there was still income coming in. In fact, despite the pandemic the bank increased its dividend.

Royal Bank's dividend has increased 108% in the last decade, for an average of 10.8% per year. Right now, investors can bring in a 4.64% dividend yield, with a payout ratio of 53.78% as of writing. That's solid, stable income you can bring in and reinvest to your portfolio. Holding onto a stock like this for decades means you can bring in significant, practically guaranteed cash.

Defensive dividends

Your portfolio should always have some defensive stocks in there, and one you should definitely look at are utilities. No matter what happens in the economy, everyone needs to keep the lights on. So buying up utility companies and holding them for decades practically guarantees stable growth. Sure, you won't see sudden jumps in share price, but you won't see crashes either.

That makes **Fortis Inc.** (TSX:FTS)(NYSE:FTS) the perfect buy today. The markets have gotten this stock wrong. It started shrinking again like the rest of the markets last month, but for no good reason.

The company's earnings remained strong for the last quarter, with net earnings coming in at $312 million. The company's five-year capital plan remains unchanged, aiming for $18.8 billion and dividend growth.

So right now, you get a discounted stable stock with a 3.72% dividend yield. That dividend has grown 70% in the last decade, while shares have grown about the same at 72%.

Top growth

You'll also want a nice growth stock at a time like this, and that's where a stock like **WPT Industrial REIT** (TSX:WIR.U) comes into play. The tech industry, specifically e-commerce, has been getting a lot of attention during this market downturn. Many e-commerce stocks have soared to all-time highs while the rest of the markets sunk lower.

But one area that seems to be forgotten are REITs like WPT Industrial. This stock is perfect for those wanting to take advantage of a growing industry while also bringing in dividends.

WPT Industrial provides light industrial properties to e-commerce businesses that need to store and ship from its locations. The company now has 102 properties in its portfolio, and continues to acquire more. It isn't witnessing any shrinking during the downturn.

That includes its earnings, which grew almost 30% during the last quarterly report. Its dividend yield remains strong even now, with the company offering a 5.89% dividend yield to investors. Shares are almost at pre-crash levels, while others sink yet again.

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Date
2025/08/27
Date Created
2020/07/05
Author
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