



4 Hot TSX Stocks to Buy in August

Description

The market has started to plateau in recent weeks after a rally that was almost as quick as the market crash that preceded it. Investors have observed the impacts of each **TSX** stock and have tried to look forward, despite all the uncertainty.

It makes sense that after a few months the market starts to plateau, since most stocks have reached what the market thinks is their new fair value. However, now that it's generally moving sideways, there are great opportunities to buy stocks that are undervalued and can offer significant potential.

So, if you are planning to buy stocks in August, I'd start with these four considerations first.

TSX utility stock

The first stock to consider owning is one of the top utility companies on the TSX, **Emera** ([TSX:EMA](#)).

Utility stocks are ideal businesses to own in market crashes and recessions. Emera is no different.

The company gets almost all of its revenue from regulated utilities and has operations in numerous jurisdictions, which helps to reduce risk. The highly defensive service it offers and regulated revenue are what make it such a great stock to own during times of turmoil. And long term, Emera will continue to grow both its share price and the dividend. That dividend currently has a 4.5%, which is a pretty [juicy yield](#) for a utility.

There aren't too many stocks you can rely heavily on during this uncertain period. However, Emera is one of them.

TSX gold stock

Another stock to consider would be a gold miner like **Yamana Gold** ([TSX:YRI](#))([NYSE:AUY](#)).

[Gold stocks](#) are great investments during times of economic despair. With all that's going on these

days, it's not surprising at all that gold prices and gold stocks have seen such rapid appreciation. The safe-haven aspect and hedge against inflation are exactly what investors are looking for right now.

Yamana, specifically, is one of the best options for investors buying today. The company has a consistent track record and operates in mining-friendly jurisdictions. Yamana shares have seen a positive increase from gold's run-up in price. This has led to a significant share price increase as well as four dividend increases in just the last five quarters, totaling a 250% increase.

Silver stock

Of course, if the environment is good for gold, that almost always means it's good for silver. Silver tends to lag behind gold, but when it rallies, it does so at much faster rates. That's exactly what we've begun to see in the last few weeks, which may make August the perfect month for investors to buy TSX silver stocks.

There aren't a whole lot of silver stocks to choose from, but one of the best choices to consider is **First Majestic Silver**.

First Majestic operates strictly in Mexico, the world's largest silver-producing country. It also has the highest percentage of its revenue tied to silver prices. That alone is what makes First Majestic so attractive, as it will see some of the biggest gains from rising silver prices.

In just the last two weeks, the stock has already gained roughly 30%, and it looks like First Majestic may still have a long way to go.

Real estate stock

Real estate has been one of those industries that have seen the biggest variation of impacts. Some sub-sectors, such as retail, have seen significant negative impacts on business. Others, like residential real estate, have seen only minor increases on their business.

Then there are the industrial REITs such as **Granite Real Estate Investment Trust**, which have seen a significant boost to business as a result of the coronavirus pandemic.

The rapid shift to online shopping by so many in this pandemic has made warehouse space a major priority. These online businesses all need somewhere to store their inventory.

Granite is the perfect TSX stock to take advantage of this trend.

Bottom line

The new normal is here to stay for a considerable amount of time, and the best investors will be those who can adapt early and find the best investments.

These are some of the top companies to buy in our environment today. So, if you're considering buying TSX stocks in August, I'd start with these four businesses first.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:AUY (Yamana Gold)
2. TSX:EMA (Emera Incorporated)
3. TSX:YRI (Yamana Gold)

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1. Business Insider
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