You Won't Be Sorry You Bought These 2 TSX Stocks

Description

The stock market has seen a tonne of volatility in 2020. There are several events impacting **TSX stocks**, making it difficult to track everything that's happening.

When the market crashed in March, investors who weren't ready, or panic sold their stocks lost a lot of money. At the same time, those who were prepared and were buying at the attractive prices have already seen the bulk of these stocks recover considerably. In some cases, stocks have even surpassed their pre-pandemic high.

With all this volatility and the potential to make or lose a lot of money in such a short period, its crucial investors pick the right stocks.

Not only will the wrong **TSX** stocks potentially cause you to miss out on the gains of the top companies, but you may even end up losing money.

Also, to avoid major losses, you'll also need to commit to a long-term approach.

The theory behind investing is buying businesses that will continue to grow their earnings and, consequently, the value of their business. To do this takes time and years of strong execution by management.

If you are buying a stock expecting it to be higher in six months or a year from now, that's a lot more speculative. Especially today, amidst so much uncertainty while we are in a global pandemic.

Here are the two best TSX stocks to buy today for the long-term.

TSX pipeline stock

Enbridge Inc (TSX:ENB)(NYSE:ENB) is known by many for its primary pipeline business, in reality though, the company is a total midstream energy conglomerate in North America.

The company is responsible for nearly a quarter of the oil and natural gas transported across North America. In addition, it has a major utility business in Ontario. Enbridge has also been investing in renewable energy projects as well.

The bulk of Enbridge's business is still reliant on oil transportation. So it's no surprise that with oil production down in Western Canada, there is concern from Enbridge investors.

However, Enbridge has significant competitive advantages. These can't be overstated and help the company to mitigate the impact of the pandemic on its business.

The company is so resilient that for the second consecutive quarter since the start of the pandemic, Enbridge has reiterated its guidance for distributable cash flow this year.

The reiteration of guidance means that the TSX stock's massive 7.4% dividend should continue to remain safe. And as the economy starts to emerge from the pandemic, look for a major uptick in Enbridge shares.

Asset manager

Brookfield Asset Management (TSX:BAM.A)(NYSE:BAM) may be one of the best stocks on the TSX. It has proven to be one of the best capital allocators and has even grown its share price by roughly 400% since the last recession.

For Brookfield, an environment such as our current one isn't about survival. Instead, this is the best chance Brookfield has to find new distressed investments the company can buy at a discount.

The company has done this time after time. It has the ability to source and fund deals all over the world. This offers Canadian investors exposure to multiple projects around the globe.

Brookfield finds high-quality business that it can buy undervalued, then improves the business and the cash flow considerably. And the best time to find distressed businesses that are trading undervalued is during times of economic turmoil.

The TSX stock remains roughly 25% off its 52-week high, offering an excellent entry point for investors taking a long-term position.

Bottom line

This is one of the best years in recent memory for long-term investors to gain exposure to high-quality stocks for less than fair value. So don't wait too long or you could miss out on the discount in these top TSX stocks completely.

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