2 TSX Stocks That Can Make You Rich!

Description

Buying and holding stocks for the long term is the safest way to get rich. While it may be tempting to buy up penny stocks and hope one of them takes off quickly and makes you a fortune, many of them will likely fail, and you could incur significant losses along the way. If you're looking for a surefire way to get rich, then you're going to need time if you don't want to put your whole portfolio in harm's way.

Below are two stocks that can help make you rich over the long term through a combination of dividends and capitals gains.

Enbridge

There's a lot of uncertainty in the oil and gas industry these days, especially with a U.S. election still hanging in the balance, which will likely have a significant impact on many Canadian companies. But despite a low price of oil and many challenges in the industry, **Enbridge** (TSX:ENB)(NYSE:ENB) has continued to record an operating profit in each of the last 10 quarters. It's also generated positive free cash flow in all of those periods. The company's business has remained resilient during these troubled times.

Although the stock is down more than 25% this year, and it may not generate great returns for you in the near future, the dividend is what makes Enbridge an attractive investment today. With quarterly dividend payments of $0.81, the stock is yielding an incredible 8.7% today. That's a hefty payout that's significantly more than what you might get with other dividend stocks. Even if the company ends up cutting its dividend payment due to the pandemic, Enbridge's commitment to growing shareholder value makes it unlikely that the payouts will be gone for good, even in the worst-case scenario. In December 2019, the Calgary-based business increased its dividend payments for the 25th year in a row by 9.8%.

Even if Enbridge's stock struggles, you can still benefit from the recurring and rising cash flows overthe years. As one of the TSX's largest companies, it's one of the better investments in oil and gas youcan make today.

Air Canada

Air Canada (TSX:AC) stock doesn't pay dividends, but given the challenges in the airline industry right now, you probably wouldn't want it to anyway. It's going to take years for the airline industry to recover to pre-pandemic levels, but when it does, shares of Air Canada could skyrocket. And if its acquisition of **Transat** goes through, it could be poised for even greater returns. Down around 70% this year, the top airline stock is one of the more appealing contrarian buys out there. It's been holding steady at about $15 a share for several months, and unless there's a serious setback where investors start to worry about the company's cash, it doesn't appear likely that the stock will fall significantly further down from where it is today.

Even though the company's coming off two straight periods where it incurred losses of more than $1 billion, investors aren't fazed, as they know the airline's earnings numbers are going to remain deep in the red for some time. As of its last earnings report, the company had more than $5 billion in cash and cash equivalents on its books, which should help keep the business afloat for some time, especially as Air Canada has been slashing expenses along the way. It's a long, uncertain road ahead, but Air Canada's stock could potentially double or triple in value if you buy today and hang on until the industry recovers.

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