



3 Overvalued Yet Rewarding TSX Stocks to Buy Today

Description

Many **TSX** stocks soared to their all-time highs last month on the vaccine news. It's worth pondering where would these stocks go when the pandemic is probably over next year.

Here are three stocks for investors that have remarkably rallied in the last few months but still seem to have steam left.

Lightspeed POS

A \$6 billion **Lightspeed POS** ([TSX:LSPD](#))(NYSE:PSPD) looks very well placed for the next year. The stock is up almost 110% this year and is currently trading at its all-time high. Its latest quarterly results and new acquisitions underline its growth story, which will likely keep the rally going.

The cloud-based point-of-sale software provider recently acquired Upserve for \$430 million. The buyout will expand Lightspeed's presence in the U.S. by about 7,000 locations.

It also bought ShopKeep for \$440 million last month. New York City-based ShopKeep provides a cloud commerce platform to around 20,000 restaurants and retailers.

Lightspeed's aggressive foray south of the border will likely accelerate its revenue growth in the next few years. Its strong top-line growth has already reflected in its market performance, returning almost 300% since its debut in March last year.

Barrick Gold

Barrick Gold ([TSX:ABX](#))(NYSE:GOLD) stock has corrected 25% since last month, which offers a lucrative opportunity for long-term investors. The world's second-biggest gold miner has more than doubled its earnings this year.

The stock is still up about 30% so far this year, notably outperforming peer mining stocks and even the

yellow metal itself.

Higher realized gold prices boosted Barrick Gold's earnings and its share price this year. Although gold prices have fallen in the last couple of weeks, they are far higher than last year. Thus, miners will continue to benefit from higher prices, which will be seen in their earnings and stock prices.

Copper is also a major revenue source for Barrick Gold. Thus, returning global economic growth and higher expected copper prices might help its bottom line in the next few quarters.

Some might avoid Barrick Gold stock amid the recent yellow metal weakness. However, its solid balance sheet and consistently growing dividends make it a [strong investment proposition](#) for long-term investors.

Canadian National Railway

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) is my third pick among overvalued **TSX** stocks that might continue to soar higher. Stocks like Canadian National recover faster than broader markets amid the downturn. It has soared 15% so far this year.

Canadian National Railway is a fundamentally strong company whose leading market share in a duopolistic market, along with a unique set of assets, makes it stand tall even in challenging times.

The rail freight company has a unique track network, serving as a backbone of the North American trade. Its diversified product base makes its earnings stable, ultimately enables [stable dividends](#).

CN Rail stock looks overvalued at the moment against its historical average as well as compared to peers. If you are looking for long-term stability, CN Rail stock should be on top of your list. Conservative investors can wait for a pullback.

With several players in the vaccine race and aggressive efforts on the mass distribution front, we might see pandemic end probably in the second half of 2021. The three TSX stocks discussed above look expensive at the moment but look well placed for handsome growth next year.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Stocks for Beginners
5. Tech Stocks

TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:LSPD (Lightspeed Commerce)
4. TSX:ABX (Barrick Mining)
5. TSX:CNR (Canadian National Railway Company)
6. TSX:LSPD (Lightspeed Commerce)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Stocks for Beginners
5. Tech Stocks

Date

2025/08/25

Date Created

2020/12/03

Author

vinitkularni20

default watermark

default watermark