



Got \$3,000? 3 Top TSX Stocks to Buy Today

Description

We saw one of the biggest rallies this year despite the adverse impacts of the pandemic. It will be interesting to see what the year 2021 brings with the pandemic's end in sight. If you are sitting on excess cash, consider these **TSX** stocks for decent returns going into 2021 and beyond.

MTY Food Group

As stay-at-home orders probably ease next year, malls and restaurants will likely see a significant increase in footfall. A quick-service restaurant operator **MTY Food Group** ([TSX:MTY](#)) could be one of the biggest beneficiaries in that scenario. It is a \$1.3 billion company and operates 80 brands in over 7,440 locations in 39 countries.

The company has already started seeing green shoots on the financials front. It might see continued demand growth as it re-opens a greater number of outlets.

MTY Food Group reported a profit of \$23 million in the recently reported quarter, marginally higher than the same period in 2019. Several cost-cutting programs helped the company return to profitability, despite lower revenues.

MTY stock has returned a remarkable 200% in the last six months. Despite the rally, the stock still seems to have steam left for next year. With aggressive efforts on the mass inoculation and easier expected commute in the post-pandemic world, MTY could see pent-up demand in the next two to four quarters.

In that case, the stock might continue to race to its last year's highs of \$70, indicating a decent upside potential of 30%.

Hydro One

Investors can consider a defensive bet **Hydro One** ([TSX:H](#)) for long-term stability. It is a \$17 billion one

of North America's biggest electrical utilities and operates mainly in Ontario. Utilities like Hydro One operate in a highly regulated environment and earn stable cash flows.

Hydro One pays stable [dividends](#) and yields 3.5%. What differentiates Hydro One is its absence in the power generation segment. It does not involve in power generation and operates as a distribution and transmission company.

This avoids a big upfront investment and thus, lowers risk. Investors who are seeking particularly [low-risk investment options](#) with stable dividends can consider Hydro One.

In the last 12 months, the stock has returned almost 15%, notably beating peer utility stocks. Hydro One stock looks undervalued at the moment and might continue to soar higher going forward.

Suncor Energy

The integrated energy giant **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) could be one of the biggest winners in the post-pandemic environment. The stock dropped to 15-year lows back in October amid weaker crude oil prices and mounting losses. However, as people again leave their houses and commute, increased crude oil demand could boost Suncor Energy stock.

Suncor Energy produces oil as well as retails it via a wide network of outlets. Its presence on the entire energy supply chain could fuel a faster-than-peers recovery next year. That's why Suncor Energy stock has surged almost 70% on the vaccine news since late October.

Notably, Suncor Energy stock is fairly valued and yields a fair 3.5% at the moment. Higher crude oil prices and improved demand outlook could continue to drive the stock higher.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:H (Hydro One Limited)
3. TSX:MTY (MTY Food Group)
4. TSX:SU (Suncor Energy Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise

Category

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

Date

2025/07/19

Date Created

2020/12/14

Author

vinitkularni20

default watermark

default watermark