



Got 10,000? 3 Surefire TSX Stocks for 2021

Description

Following the coronavirus-led March selloff, the strong bull market led to a steep recovery in the bulk of TSX-listed stocks. Despite the strong run-up in stocks, quick vaccination could lead to the acceleration in the pace of economic recovery and support the rally in the stock market in 2021.

Notably, stocks of the companies that could witness a strong rebound in demand following the vaccine's rollout are likely to deliver robust growth and outperform the broader markets in 2021.

Keep an eye on this subprime lender

goeasy ([TSX:GSY](#)) has made tons of money for its investors. For those who do not know, goeasy's revenues and earnings have been growing at a breakneck pace over the past two decades, which helped the company deliver a TSR (total shareholder return) of 7,452% since 2001.

Notably, increased government subsidies and stay-at-home orders temporarily weighed on its demand and impacted its top line. However, with the easing of lockdown measures and reopening of the economy, the subprime lender has started to see [improvement](#) in demand with an uptick in loan originations.

With the expected recovery in the economy and rollout of the vaccine, goeasy's total loan originations could mark a significant improvement and lead to double-digit growth in its revenues and EPS. Meanwhile, its strong payment volume and cost-reduction measures are likely to cushion its earnings and [drive its stock higher](#) in 2021.

goeasy trades at a forward P/E multiple of 11.6, and considering its over 30% growth in the bottom line, its stock is a steal at the current levels. Also, the company is likely to boost your returns through higher dividend payments.

This airline stock could recover fast

The rollout of the COVID-19 vaccine in 2021 could quicken the pace of recovery in passenger airline companies. Given the improving operating environment, I see immense value in

Air Canada ([TSX:AC](#)) stock.

Air Canada stock has seen massive buying over the past month on positive vaccine data, which led to a recovery in its stock. However, it is still down about 47% year to date and has a long runway for growth.

I believe the increase in the passenger volumes could act as a strong growth catalyst for Air Canada stock in 2021 and help the company deliver strong returns. The airline company's key performance metrics are likely to show strong improvement in 2021, especially in the second half, and lead to a rally in its stock.

Don't miss this energy giant

While many would prefer pipeline companies to play the recovery in the energy sector as they are relatively safe and deliver robust dividends. I believe pure-play energy companies are likely to be the key beneficiaries of the improvement in crude oil prices.

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)), with its integrated business model and long-life assets, could deliver stellar returns with a pickup in demand in 2021. The uptick in economic activities worldwide and demand improvement could help Suncor report strong growth in its financials and cushion its bottom line. Besides, like most energy stocks, Suncor is trading cheap and is down about 44% year to date.

With expected improvement in energy demand and its low valuation, Suncor Energy stock looks appealing and could outperform the broader markets in 2021.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks
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TICKERS GLOBAL

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2. TSX:AC (Air Canada)
3. TSX:GSY (goeasy Ltd.)
4. TSX:SU (Suncor Energy Inc.)

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