



## The Best Canadian Stocks to Buy in 2021

### Description

The best Canadian stocks to buy in 2021 have a few things in common. Firstly, they all have negative or suspicious investor sentiment. Secondly, they all have objectively bright futures. And lastly, they are all exceptionally well-run companies.

Without further ado, let's take a look at the best Canadian stocks to buy in 2021.

### Enbridge stock: This 8%-yielding stock is a Canadian stock to buy

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) doesn't need much of an introduction. We all know Enbridge. Most of us receive a regular bill from Enbridge. Of course, we don't like those bills. But how about we flip things around? We can share in Enbridge's good fortune.

Enbridge is a leading North American energy infrastructure company. It has its hands in many different areas. For example, Enbridge is involved in natural gas transmission. It also owns and operates oil pipelines. Lastly, Enbridge has a substantial stake in [renewable energy](#).

So, Enbridge is a well-diversified company. It's positioned in all the key energy areas. And it will be a key player in the energy transition. I mean, this energy transition has been gravely misunderstood. The transition will actually take decades. And natural gas will be a key source of energy for years to come. Investors don't fully appreciate this. Energy stocks are cheap because of it. So, Enbridge stock is grossly undervalued. But this depressed valuation isn't warranted. The fundamentals say otherwise.

This is what makes Enbridge stock a top Canadian stock to buy in 2021.

### Canadian Natural Resources stock: A best-in-class Canadian stock to buy

**Canadian Natural Resources** ([TSX:CNQ](#))([NYSE:CNQ](#)) stock is facing a similar situation as Enbridge. It's suffering from overly pessimistic investor sentiment. Again, I view this as an opportunity. Because I see that the energy transition will take decades. And I see that oil and gas will be needed along the way.

Canadian Natural Resources is another best-in-class stock. It has a strong business model. Canadian Natural therefore generates strong cash flows. And these cash flows are relatively predictable. Finally, Canadian Natural has a strong dividend history. It has a 15-year history of annual dividend growth of 19%.

Today, Canadian Natural Resources stock is trading at rock-bottom valuations. It's no surprise. The oil and gas industry has been hit hard. But let's look ahead to 2021. [It looks like this will be a year of recovery](#): recovery in economic activity, consumer spending, and oil prices. In fact, U.S. investment banker **Goldman Sachs** is predicting that oil will exceed \$60 in 2021. That's a far cry from the current \$47.

Canadian Natural stock pays a hefty dividend too (5.5%). All of this makes it a top Canadian stock to buy today.

## Ballard Power Systems stock: The future of transportation

**Ballard Power Systems** ([TSX:BLDP](#))([NASDAQ: BLDP](#)) stock has already broken out in 2020. But its revenues have been flat. They have yet to break out. But we can expect strong revenue growth in 2021. New business continues to emerge. Countries are pushing hard toward fuel cell powered buses and trains. Companies are escalating their push toward fuel cell-powered trucks.

The fuel cell industry is exploding. In fact, ResearchandMarkets.com has bright estimates. It estimates that the global fuel cell industry will grow by 26% annually. Ballard stock is undoubtedly one of the best Canadian stocks for 2021.

## Motley Fool: The bottom line

The best Canadian stocks to buy in 2021 all have industry fundamentals on their side. Enbridge and Canadian Natural Resources stocks will also benefit from a recovery of sentiment. Ballard Power stock will benefit from increased confidence in fuel cells. This will result in broader investor ownership. This will drive the share price even higher.

### CATEGORY

1. Dividend Stocks
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### POST TAG

1. Editor's Choice

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2. NYSE:CNQ (Canadian Natural Resources)
3. NYSE:ENB (Enbridge Inc.)
4. TSX:BLDP (Ballard Power Systems Inc.)
5. TSX:CNQ (Canadian Natural Resources Limited)
6. TSX:ENB (Enbridge Inc.)

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