



2 TSX Stocks to Let You Buy Expensive Christmas Gifts in 2021

Description

The year 2020 is about to end, but the uncertainties it brought with it aren't ending. With the recent emergence of a new coronavirus strain, the fear of more restrictions and shutdowns is [haunting businesses](#) across the world. These factors are keeping the broader market highly volatile and erratic these days.

The **S&P/TSX Composite Index** has risen by 2.4% in December so far. But looking at the recent unpredictable market behavior, the possibility of the index ending the month in the negative territory can't be denied.

Buy expensive Christmas gift next year

Some stocks have more than doubled this year despite the broader market uncertainties. It proves how you can still make money by investing in stocks irrespective of adverse market conditions.

While you might not be able to celebrate this Christmas with all your loved ones due to COVID-19 related restrictions, you could make up for it next year by buying them some expensive gifts. If you buy some right stocks at the right time, it's very much possible to expect good returns within a year.

One safe dividend stock to buy for 2021

When the COVID-19 related restrictions started affecting businesses worldwide, many experts predicted that the banks might have to face great financial difficulties. However, many Canadian banks proved such predictions wrong.

For example, **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) is already on track to a sharp financial recovery after facing minor troubles in the April quarter. That's why the largest Canadian bank has beat Bay Street analysts' earnings expectations for the last couple of quarters.

The bank recently reported positive (year-over-year earnings growth in its fourth quarter of fiscal 2020

after posting a decline in the previous couple of quarters. Big volume gains in the Royal Bank of Canada's [capital markets segment](#) have helped it remain financially strong during the COVID-19 crisis.

With its solid fiscal 2020 financial performance, its stock deserves to outperform the broader market. However, it's trading with just 2% year to date gains against slightly over 3% gains in the **TSX60** stocks this year.

I expect Royal Bank of Canada stock to outperform the broader market early next year as investors pay attention to its much faster than expected financial recovery. The bank currently also offers a 4.1% dividend yield — making it even in a better investment.

One growth stock to buy for 2021

After investing a part of your total investment capital in a stable business like the Royal Bank of Canada, you can put the remaining in a growth stock to expect solid returns in 2021.

For this, you may want to consider buying **Lightspeed POS** ([TSX: LSPD](#))([NYSE:LSPD](#)) stock. It's a Montreal-based e-commerce software company that makes more than half of its revenue from the United States. The company's sales growth accelerated in 2020 as more businesses subscribe to its services to improve their online business presence amid shutdowns.

Its year-over-year sales growth rate has been between 51% to 70% in the last three quarters. You can expect its sales growth rate to remain similarly strong in the next year.

Lightspeed POS's stock more than doubled in 2020 as it's trading with 102% year-to-date gains currently. The stock could continue to soar next year with the help of consistent sales growth amid the new coronavirus strain related fears.

CATEGORY

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1. NYSE:LSPD (Lightspeed Commerce)
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3. TSX:LSPD (Lightspeed Commerce)
4. TSX:RY (Royal Bank of Canada)

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