



All I Want for Christmas Is These Top TSX Stocks

Description

Merry Christmas! Here's my gift to you. I'll reveal two top stocks that are on my Christmas wish list. If you own the stocks already, hold on to them for long-term wealth creation! If you don't own them, you should take a closer look, because they're worthy core holdings.

For your convenience, this top stock is a buy now

Alimentation Couche-Tard (TSX:ATD.B) is a global leader in fuel and convenience retail. It has a strong presence in Canada, the United States, and many parts of Europe.

It has done an incredible job in churning out high profitability throughout the years. A significant growth runway in M&A opportunities still exists for Couche-Tard, particularly in the United States and Asia. However, it also sees organic growth opportunities around customer journey, innovation, and deployment of retail capabilities.

For every acquisition it makes, it juices out synergies, learns from it, and applies the knowledge across its network, wherever applicable. Its latest acquisition of Circle K Hong Kong, though, small, will be a learning opportunity as it's one of the top convenience operators in Asia.

A testament of [Couche-Tard's quality](#) is its consistently strong free cash flow generation that has led to an equally strong-growing dividend — one that has grown nearly 27% per year since 2011.

At \$44.32 per share at writing, Couche-Tard is attractively priced for double-digit growth with a PEG ratio of less than one.

Another growth stock you'd want for Christmas

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is another growth stock you'd want to own for the long haul. It's run by a superb management team that invests its own money alongside its shareholders.

BAM has more than US\$575 billion of assets under management. Firstly, it earns asset management fees. Secondly, it earns performance fees when certain return targets are achieved. Thirdly, it earns income from its cash cow real estate, renewable power, and infrastructure assets.

Like Warren Buffett, Brookfield Asset Management is a value investor that always has lots of liquidity to take advantage of mispriced opportunities. Often these lead to incredible long-term returns with reduced risk.

The company is also invested and manages a private equity business that can be more unpredictable on its own but more lucrative than BAM's other businesses in the long run.

In summary, investors can buy a very well managed and diversified business in BAM with a management team that has its eyes set for long-term annualized returns of 12-15%.

At writing, BAM trades at US\$40.44 per share with an average analyst price target of US\$47.70 per share over the next 12 months for 18% near-term upside. So, the quality stock is a good buy now. Whenever it corrects significantly from market selloffs, it'll probably be an excellent time to back up the truck.

BAM is a Canadian Dividend Aristocrat that yields about 1.2% currently and last increased its dividend by 12%.

The Foolish takeaway

These top stocks are [no-brainer buys](#), because they're quality businesses trading at good valuations. If you have some extra cash, consider buying both for growth and diversification in a core stock portfolio.

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