2 TSX Stocks I'd Invest $2,000 in for 2021

### Description

2021 could turn out to be a strong year for Canadian companies, as wide-scale vaccine distribution is likely to accelerate the pace of economic recovery and support corporate earnings growth. While several TSX stocks look like attractive bets at the current levels, I have zeroed in on two top stocks that could continue to deliver exceptional returns in 2021.



## Dye & Durham

**Dye & Durham** (TSX:DND) stock headed north ever since it got listed on the TSX in July 2020. Notably, an investment of $2,000 in Dye & Durham stock since its listing on the exchange is now worth $6,830. While Dye & Durham stock has appreciated quite a bit in a short span, the company remains on track to deliver impressive growth in 2021.

Dye & Durham's recent acquisitions and continued momentum in the base business could continue to drive its revenues and normalized EBITDA in the coming quarters and suggest that there is further room for multiple expansion.

Dye & Durham's recent acquisitions of SAI Global's Property Division, DoProcess, and Courthouse Solutions are likely to expand its product portfolio and geographic reach. Moreover, these acquisitions are likely to drive its financials by opening up new growth opportunities.

The company's resilient business model, diversified and strong blue-chip customer base, and low churn rate suggest that it could continue to deliver strong organic growth. Meanwhile, its ability to put through price increases and debt capacity indicates that the uptrend in its stock could sustain in 2021.

## goeasy

**goeasy** (TSX:GSY) provides leasing and lending services to non-prime consumers and has delivered robust returns over the past several years through stock price appreciation and higher dividend payments.

The subprime lender continues to impress with its financial performance. goeasy's earnings have grown at a strong double-digit rate over the past two decades. Thanks to its high-quality earnings base, goeasy has consistently paid dividends for 16 years and has uninterruptedly increased the same in the last six years.

goeasy's operating metrics remain solid. Its same-store sales have increased in the past 42 consecutive quarters. Meanwhile, its gross loan originations remain strong. The company's resilient business model helped it deliver robust bottom-line growth in the first nine months of 2020, despite the disruption from the COVID-19 pandemic.

With the economic reopening and vaccine distribution, goeasy is likely to witness strong consumer demand, which is expected to drive its loan origination volumes in 2021. During the last reported quarter, the company's CEO, Jason Mullins, said that "consumer demand for credit continues to recover slowly and we expect growth in the loan portfolio of approximately 5% to 6% during the upcoming quarter."



With the expected improvement in the loan portfolio, new customer additions, and lower expenses, goeasy could deliver strong double-digit growth in its top and bottom line in 2021. Meanwhile, the expansion of its product offerings and growing footprint should support its growth and drive its earnings.

goeasy pays a quarterly dividend of $0.45 a share, translating into a decent dividend yield of 1.9%.

## Bottom line

Both these Canadian companies have consistently impressed with their financial performance. I believe the uptick in economic activities and sustained momentum in their base could support these stocks in 2021. Meanwhile, opportunistic acquisitions and acceleration in demand could drive these stocks higher.

**CATEGORY**

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
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5. Tech Stocks

**TICKERS GLOBAL**

1. TSX:DND (Dye & Durham Limited)
2. TSX:GSY (goeasy Ltd.)

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