Canadians: Where to Invest $10,000 Right Now for 2021

Description

Surprisingly, 2020 has turned out to be an excellent year for equity investors. If you have participated in the recovery rally, then you are probably sitting on hefty capital gains. Even if you haven't played the recovery, 2021 presents good reasons to buy stocks. Vaccine distribution and economic reopening are likely to spur demand and drive corporate earnings.

So if you got $10,000 and plan to invest in stocks, the best way to do so is by diversifying your stock portfolio and optimizing the returns. Here we'll focus on three such top stocks that will help diversify your portfolio and have the potential to deliver exceptional returns in 2021.

A high-growth financial stock

goeasy (TSX:GSY) is the top stock in the financial sector that is likely to outperform its bigger rivals and benefit significantly from the uptick in economic activities in 2021. The economic recovery is expected to drive credit growth, in turn, support demand for goeasy's products and solutions.

The non-prime lender is performing exceptionally well and has delivered stellar earnings over the past several years. Its resilient business, new product launches, and geographic and channel expansion position it well to benefit from the improvement in consumer demand.

Thanks to the expected improvement in revenues and cost reduction measures, goeasy's bottom line could continue to increase at a high double-digit rate and drive its dividend payments. The Dividend Aristocrat currently offers a decent yield of 1.8%.

Top tech stock

Spending on e-commerce accelerated amid the pandemic, and the trend is likely to sustain in 2021, providing **Lightspeed** (TSX:LSPD)(NYSE:LSPD) significant growth opportunities. The company's digital offerings could continue to witness high demand as small and medium-sized businesses are rapidly adopting the omnichannel payment platform.

The structural shift in the selling model presents a multi-year growth opportunity for Lightspeed. The company's recent acquisitions, focus on innovation, up-selling, and geographic expansion position it well to capitalize on the favourable industry trend and deliver robust returns.

The commerce-enabling company's payment revenues are likely to remain high, while its customer base and average revenue per user is likely to expand, which should support its margins in the coming quarters. Lightspeed delivered exceptional returns in 2020 and has strong growth catalysts to deliver significant gains again in 2021.

Fast-growing consumer stock

While **Goodfood Market** (TSX:FOOD) operates in the consumer sector, it doesn't mean you have to compromise on the returns. Notably, Goodfood Market has delivered exceptional returns in the past three years and is among the **TSX**'s 30 top-performing stocks.

The company's strong delivery capabilities, expanded grocery basket, and launch of new services (like same-day delivery) position it well to benefit from customers' ongoing shift toward online grocery shopping. Goodfood Market is acquiring customers fast, as reflected through the strong growth in its active customer base. Last month, the company announced that its active subscriber base increased 33% year-over-year to reach 306,000.

I believe Goodfood Market's industry leadership, enhanced footprint, last-mile delivery capabilities, and targeted marketing campaigns are likely to drive its customer base and basket size, in turn, support its earnings.

Meanwhile, as Canadians embrace online grocery shopping, Goodfood Market is likely to deliver higher returns in 2021.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:FOOD (Goodfood Market)
3. TSX:GSY (goeasy Ltd.)
4. TSX:LSPD (Lightspeed Commerce)

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