



2 Top TSX Stocks to Buy Today

Description

Long-term investors looking for the best **TSX** stock to buy today have come to the right place. I've got two picks I think are both undervalued, but also provide a tremendous amount of defensiveness and income over time. These stocks are aimed at investors looking to build out a portfolio for retirement.

Fortis

One of my top picks for some time, **Fortis Inc.** ([TSX:FTS](#))([NYSE:FTS](#)) has everything [long-term investors](#) want. This is a dividend growth champion, with few companies outperforming Fortis on this metric. The company has raised its dividend for nearly five decades! Indeed, investors who have bought this stock decades ago and stuck with it are left with some pretty decent regular income. The dividends Fortis pays out are extremely safe, and secured by a very defensive business model.

Fortis is a regulated utilities business, providing investors with a very clear line of sight into future earnings. Indeed, until customers stop turning on the lights or heating their homes, Fortis will make money. Accordingly, defensive investors couldn't pick a better company to buy and hold for a few decades, in my view. This is a stock that should provide investors with a comfortable double-digit total return over the long-run.

Enbridge

In the pipelines space, **Enbridge Inc.** ([TSX:ENB](#))([NYSE:ENB](#)) is my top pick right now.

This company's significant dividend yield is the primary reason many investors choose this stock. Indeed, Enbridge's 7.5% does increase the average yield of most portfolios out there. Of course, such a yield could be called into question by those uncertain of what the future holds. This is where I think Enbridge is a true gem. Its management team has done a great job of re-diverting cash flows to cleaning up its balance sheet.

This has meant less money will be left over for dividend increases. However, when you're starting with

a yield base of 7.5%, this sort of move is prudent. Accordingly, I think this stock has tremendous upside from here if investors see things the same way I do.

Similar to Fortis, this is a company with a rock-solid business model. Counterparty risk has proven to actually be quite low. Additionally, Enbridge has the potential for further cash flow growth on the horizon. This is one of the few pipelines with expansion projects that are targeted to be completed.

With less pipe expected to be laid in the coming future, Enbridge's market share growth ought to be taken into consideration as a key factor to holding this stock long-term.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

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2. NYSE:FTS (Fortis Inc.)
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4. TSX:FTS (Fortis Inc.)

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