



3 Top Canadian Stocks to Buy With Your 2020 Tax Refund

Description

Have you gotten any good mail recently? While taxes might seem dreadful, this year, there are a bunch of benefits Canadians can take advantage of. Everything from work-from-home expenses to digital news expenses can be claimed on your 2020 tax return. And that means, even if before you had owed money, this year you may have a refund.

And even better news? You probably already received your T4! So, there's not much holding you back from filing early and receiving that refund. In fact, you may receive it even faster than you would if you wait for the backlog of last-minute filers.

And what can you do with that refund? Invest, of course! There are still plenty of options for stocks that continue to be undervalued. You just have to know where to look. Luckily, here at the Fool, we've already [looked](#) for you.

Brookfield Renewable

Want to get on the green train? Invest in a company that owns 19,000 megawatts in clean energy projects. That's what you get by investing in **Brookfield Renewable Energy Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)). The company has seen huge growth from the new president of the United States announcing he will put billions aside for renewable energy projects.

The stock trades at a 2.4 price-to-book (P/B) ratio, which puts it at a great price as of writing. That makes it the perfect time to get in on this stock before it trades back to all-time highs and hold it long term. In the next decade, green energy should continue to dominate investment. And if you look at Brookfield's history, you'll see this stock will benefit hugely.

The company has seen 3,076% in share growth in the last two decades for a compound annual growth rate (CAGR) of 18.86%! It also has a 2.68% dividend yield you can look forward to.

Enbridge

Not into green energy? I wouldn't exactly blame you, as all this [investment](#) means oil and gas will continue to dominate the energy sector for at least the next several decades. And at the forefront should be companies like **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)).

This year, after many investors dropped the stock, as anything oil- and gas-related plummeted, the company is looking to rebound. Many pipeline projects already have approval, but even without them, the company is a winner. Its long-term contracts will see cash flow coming in for decades.

It's this business model that means you can look forward to Enbridge stock continuing to pay its handsome 7.63% dividend yield now and years from now. And this stock is definitely a steal with a 1.7 P/B ratio. Shares are already rising this year, up 7% year to date, so now is the perfect time to jump on this stock.

Alimentation Couche-Tard

Finally, for a steal in share price, look no further than **Alimentation Couche-Tard** (TSX:ATD.B). The company owns and operates retail locations like Circle K and Esso convenience stores across North America and now around the world. It's one of the best long-term stocks you could own, and it's the perfect time to buy, as the pandemic has beaten down the share price.

The company is a steal with a P/B ratio of 2.8, with shares still down 11% in the last year. But if you look long term, those shares are still up a whopping 7.719% in the last two decades! That's a CAGR of 24.33%! Most investors can only dream of such high growth.

CATEGORY

1. Energy Stocks
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2. NYSE:ENB (Enbridge Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:ENB (Enbridge Inc.)

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