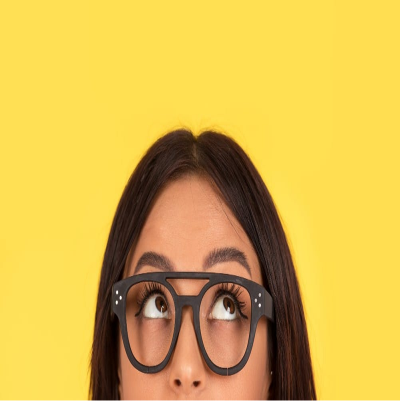

Got $3,000? 3 of the Biggest TSX Stocks to Buy Right Now

Description

TSX stocks, on average, have surged almost 70% since the pandemic crash in March last year. Did you miss the epic recovery? Do not feel bad, because even experts did not make the most of such a quick recovery amid the pandemic. Nevertheless, markets look to be in great shape this year. Stocks could continue to rally, driven by the expected pandemic's end and an impending economic recovery. Here are three TSX stocks you can consider for 2021 and beyond.

Shopify

The coronavirus pandemic fueled **Shopify's** (TSX:SHOP)(NYSE:SHOP) already superior growth last year. Its Q4 2020 earnings reaffirmed that last week. The tech titan increased its annual revenues by 86% year over year, while adjusted EPS grew to $3.98 a share against $0.30 a share in 2019.

Interestingly, e-commerce is not an industry that will vanish with the pandemic. It definitely got the boost from the pandemic last year. However, as we get back to normal post-pandemic, malls and brick-and-mortar stores will start operations gradually, which will hamper online shopping. So, one can expect its growth to slow a little this year. That's why Shopify management admitted that its revenue growth will likely be slow in 2021.

Despite the slowdown, I think Shopify could see industry-leading growth in the next few years. Its large addressable market, new product launches, and strong fundamentals make it a solid investment for long-term investors.

The stock's valuation remains high and could be an issue for conservative investors. However, the stock has been trading with premium almost for its entire life. If you believe in Shopify's growth story but worry about the valuation, consider investing in multiple tranches.

Fortis

After a growth stock, let's take a look at a top safe play. Top utility stock **Fortis** (TSX:FTS)(NYSE:FTS) could balance the portfolio risk that holds volatile stocks like Shopify.

Utility stocks like Fortis move slowly and offer regular dividends. They generate stable earnings irrespective of the broader economic scenario, enabling consistent shareholder payouts. That's why Fortis has increased its dividend for the last 47 consecutive years. It currently yields 4%, close to TSX stocks on average.

Fortis intends to increase dividends by 5% per year for the next few years. Such dividend visibility implies management's confidence in its future earnings.

Although stocks like Fortis look dull and sluggish, they have the potential to outperform broader markets in the long term.

National Bank of Canada

The country's sixth-largest bank **National Bank of Canada** (TSX:NA) will report its first-quarter earnings on February 25. The bank's top line saw some recovery in the last quarter, which will likely continue in Q1 2021 as well.

Because of the surging stock markets, almost all Canadian banks reported healthy profits on their capital market operations in 2020. This trend could also continue and lift National Bank's profits in the upcoming release.

Canadian banks, including National Bank, have already set aside a reasonable chunk for potential credit losses. So, bad loans due to the pandemic and closures might not significantly affect them in 2021.

Since the pandemic crash, National Bank stock has notably outperformed bigger peer banks. It is up more than 90%, while bank stocks on average have soared 55% since March 2020.

Interestingly, NA stock still looks reasonably valued despite the steeper rally. Its stable dividend yield of close to 4% is another comforting factor for income-seeking investors.

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2. NYSE:SHOP (Shopify Inc.)
3. TSX:FTS (Fortis Inc.)
4. TSX:NA (National Bank of Canada)
5. TSX:SHOP (Shopify Inc.)

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