



Got \$1,000? 3 Top TSX Stocks to Buy Right Now

Description

Equity investing is a long-term play, and investors need to remain focused and disciplined, despite the underlying short-term volatility. You need to identify companies that have strong fundamentals that are likely to outperform the broader market and increase your wealth at a steady rate. We'll look at three TSX stocks that should increase shareholder wealth in 2021 and beyond.

Enbridge

Shares of **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) have still not recovered to its pre-pandemic prices. While Enbridge has [underperformed in the last 12 months](#), the stock has a tasty forward yield of 7.2%. Enbridge is a Canadian energy heavyweight with a diversified base of cash-generating assets.

The company continues to invest heavily in expansion projects that allow it to increase cash flows and dividend payments over time. Since 1995, ENB has increased dividends at an annual rate of 10% making it one of the top picks for income investors.

While energy companies were decimated amid the pandemic due to low oil prices, Enbridge was rather immune to these fluctuations and even managed to increase distributable cash flow per share last year.

Enbridge has a contract-based business model and an investment-grade balance sheet, allowing it to generate stable cash flows across business cycles. If you invest \$1,000 in ENB stock, you can derive \$72 in annual dividends.

Nuvei

While Enbridge will provide you with steady returns, investing in fintech company **Nuvei** ([TSX:NVEI](#)) will help you derive exponential gains. Nuvei has a purpose-built technology platform that provides end-to-end solutions to customers. Its cloud-based, integrated, and customizable reporting dashboard provides real-time access to transaction metrics as well as other business intelligence data.

In the fourth quarter of 2020, the company reported sales of \$115.9 million — an increase of 46% year over year. Its adjusted EBITDA was up 61% at \$51.3 million, while adjusted net income soared to \$46.5 million compared with just \$5.4 million in the prior-year period.

The total gross transaction volume on the Nuvei platform increased 76% year over year in 2020 to \$43.2 billion compared with \$24.6 billion in 2019.

Nuvei attributed Q4 growth to wallet share expansion from current merchants and continued expansion of its direct distribution channel. The company added several new merchants in high-growth verticals that include online and social gaming, online retail, digital goods, and financial services.

TransAlta Renewables

The worldwide transition towards clean energy solutions is all set to accelerate in the upcoming decade, making companies such as **TransAlta Renewables** ([TSX:RNW](#)) top buys right now. Shares of TransAlta Renewables have more than doubled since the company went public in August 2013. Despite its impressive returns, the stock has a forward yield of 4.5%. So, an investment of \$1,000 in RNW stock will help you generate \$45 in annual dividends.

At the end of 2020, [TransAlta owned](#) 13 hydro facilities, 19 wind facilities as well as one battery storage facility, and another natural gas facility in Canada. The company aims to develop or acquire highly contracted renewable and natural gas power generation facilities as well as other infrastructure assets that will help it generate stable cash flows with the objective of achieving targeted returns on invested capital.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:NVEI (Nuvei Corporation)
4. TSX:RNW (TransAlta Renewables)

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