



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

Description

Canadian markets have been in great shape this year, gaining more than 10% so far. Although tech has dominated the gains, many sectors that seemed subdued late last year have started to show encouraging recovery. Here are three TSX stocks that offer decent growth potential in the post-pandemic environment.

Absolute Software

A large and growing cybersecurity market makes **Absolute Software** (TSX:ABT)([NASDAQ:ABST](#)) an attractive pick. It has seen decent financial growth in the last few years. The stock is not as volatile as peer growth names, making it an apt pick for conservative investors.

Absolute provides endpoint security platform and data risk management solutions to its customers. Higher spending on digital security should bode well for companies like Absolute. The company saw reasonable revenue growth of 16% year over year in Q4 2020. It expects decent revenue growth of 12% this year.

Absolute stock is up almost 90% in the last 12 months. Despite the rally, the stock looks trading at a reasonable valuation. [Growth stocks](#) generally flaunt premium valuations due to their high-growth potential. However, Absolute stands tall among them because of its relatively cheaper valuation and decent growth prospects.

Whitecap Resources

After Absolute Software, I think an energy stock like **Whitecap Resources** ([TSX:WCP](#)) will play well for diversification. Energy stocks have already run a significant amount in the last few months. But I think Whitecap still has some steam left.

Its net profits exploded to \$332 million in the fourth quarter of 2020 against \$13 million in the earlier quarter. Demand recovery and higher production led to such a steep jump. Apart from its better

quarterly profit numbers, its improving operating margin is an encouraging signal for long-term investors.

WCP stock has surged almost 140% in the last six months, notably outperforming TSX energy stocks. It pays stable monthly dividends that yield 3.2% at the moment.

Its stable dividends and superior [earnings](#) growth prospects make it a solid bet for long-term investors.

Air Canada

After a draining 2020, **Air Canada** ([TSX:AC](#)) stock is one of the top gainers this year. It is up 30% in 2021, outperforming TSX stocks at large. Although the short-term outlook for the aviation sector looks grim, I am optimistic about Air Canada for the long term.

I think the flag carrier is well placed to benefit from the air travel demand recovery post-pandemic. A government bailout and faster vaccinations could also substantially improve its growth prospects. Besides, Air Canada is standing strong against its global peers on the balance sheet front and cost management.

Mutating viruses and fear of stricter restrictions indeed pose a serious threat to companies like Air Canada. However, I think it will operate with notably higher operating capacity as against 2020, probably in the second half of this year.

AC stock might have a limited upside in the short term from its current levels in the absence of a bailout. Conservative investors can consider investing in multiple tranches.

CATEGORY

1. Bank Stocks
2. Cannabis Stocks
3. Coronavirus
4. Dividend Stocks
5. Energy Stocks
6. Investing
7. Metals and Mining Stocks
8. Personal Finance
9. Stocks for Beginners
10. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:ABST (Absolute Software)
2. TSX:AC (Air Canada)
3. TSX:WCP (Whitecap Resources Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Bank Stocks
2. Cannabis Stocks
3. Coronavirus
4. Dividend Stocks
5. Energy Stocks
6. Investing
7. Metals and Mining Stocks
8. Personal Finance
9. Stocks for Beginners
10. Tech Stocks

Tags

1. Editor's Choice

Date

2025/08/16

Date Created

2021/04/09

Author

vinitkularni20

default watermark

default watermark