5 Top TSX Stock Picks to Buy Now

Description

The market is finally starting to rebound, but there are still plenty of opportunities to find a deal on the **TSX**. I'll cover my top five choices of stocks to buy right now based on what each offers now and in the future.

Magna: The long hold

If you want to get in on the electric vehicle (EV) action but don't want to pay sky-high prices, then **Magna International** (TSX:MG)(NYSE:MGA) should be one of your top choices. The car manufacturer's partnership with **LG Electronics** means it now not only offers car parts, but the electric systems necessary for both EVs and even gas-powered cars.

But the stock remains undervalued. Sure, shares are up 135% in the last year, with a 21% compound annual growth rate (CAGR) during the last decade, but its valuations are cheap! The company has 0.8 times sales and 2.3 times book value, making it an excellent buy. With the EV explosion in the next decade or two, you'll absolutely want to hold onto this stock.

BlackBerry: The risky stock

Yes, there is some risk associated with buying **BlackBerry** (TSX:BB)(NYSE:BB). The company has competition within the cybersecurity and autonomous vehicle industries. But this stock also has super potential to be a massive growth stock in the next few years and even few months! That's after inking a deal with the Canadian government to provide it with cybersecurity software.

Why risk it when it's risky? It's cheap, of course! After soaring to 52-week highs at $36 per share, today those shares trade at around $11. So, there's plenty of room for growth. Its multiples support this, with 5.7 times sales and 3.4 times book value. And you can always start with a small stake, increasing as you build confidence. As the EV boom continues, the company should see mega growth in the next few years that'll make you glad you risked it with this stock.

Enbridge: The Dividend Aristocrat

Who doesn't like free money? That's what you can lock in today with a top dividend producer like **Enbridge** (TSX:ENB)(NYSE:ENB). But do it now, because shares are climbing with the oil and gas rebound. Even though the company's long-term contracts aren't tied to the price of oil, shares have seen a boost with the promise of amping up production.

Shares in the stock are already up 24% in the last year as of writing, and 141% in the last decade for a CAGR of 9.21%. But it's the dividend yield of 7.24% that you want, which has risen at a CAGR of 14.32% during that time! And the stock is still cheap at 2.4 times sales and 1.7 times book value. Lock in this income producer while you can!

Royal Bank: The defensive stock

If you want a stock that will help you when times get tough, you want the Big Six banks. These banks have been around for 100 years or more, and **Royal Bank of Canada** (TSX:RY)(NYSE:RY) is no exception. The bank continues to find new ways of bringing in revenue, preparing ahead for any downturn. That happened with the March 2020 crash, where the stock is now trading at pre-pandemic prices.

Shares in the stock are up 39% in the last year, and 192% in the last decade for a CAGR of 11.31%. But the stock also offers a 3.67% dividend yield that's risen at a CAGR of 7.93% during that time. And yet even with all this growth the stock is still valuable at 3.9 times sales and two times book value. But honestly, who cares about today's valuations? This is a perfect stock to buy and forget about until retirement, meaning you're pretty much guaranteed enormous returns.

WELL Health: The growth pick

If you want in on the burgeoning tech and health sector, **WELL Health Technologies** (TSX:WELL) is definitely the stock you want to pick up today. The telehealth company continues to acquire business after business, spanning through Canada and now into the United States. The post-pandemic world relies on telehealth services, and WELL Health aims to be the first choice for patients.

This stock isn't as cheap, trading at 25 times sales and 5.7 times book value. However, growth doesn't look to stop soon, as all these acquisitions create substantial revenue. Shares are up 361% in the last year, even after the tech pullback, making this a growth stock you don't want to miss.

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2. NYSE:ENB (Enbridge Inc.)

3. NYSE:MGA (Magna International Inc.)
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