



Stocks to Buy Now: Enbridge Is on Fire

Description

Although markets are setting new highs and many stocks seem expensive, there are still plenty of high-quality Canadian stocks to buy now. Over the last year, though, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) has continued to be one of the best stocks in Canada.

When looking to buy stocks now, it helps if you know what you're looking for. You can consider small-cap stocks. These usually have major growth potential. However, they're also usually highly risky.

You could also consider bigger [growth stocks](#) with a more proven track record that aren't as high risk.

[Dividend stocks](#) are a great choice, too. These stocks are often much more defensive. Plus, it's always nice to collect extra cash and watch your portfolio compound rapidly from dividend payments.

Or you could look at adding [value stocks](#), which have been some of the best-performing stocks over the last few months.

If you're looking for large-cap, blue-chip stocks, these companies usually offer a combination of growth and income. And when you're lucky, they can become a triple threat stock trading undervalue too. That's where you'll find Enbridge today, which is why it's one of the best stocks to buy now.

Why Enbridge is one of the top stocks to buy now

Enbridge has been cheap for the last year, like I said. Being an energy company, it was sold off with the industry through the pandemic, albeit not as badly as energy producers. Enbridge's robust operations, though, ensured that the stock stayed highly resilient.

The company not only has some highly competitive pipeline operations, but it also has a [diversified portfolio of businesses](#) that can keep cash flow resilient, even if the oil industry is struggling.

The stock is so large and such a major part of the North American economy, it's a highly defensive business.

Looking at the impact that it's actually faced during the pandemic, it's been extremely [cheap for a while](#). Plus, on top of the major discount, it's been offering an exceptional dividend.

So, Enbridge has been one of the top stocks to buy for a while; now that it's rallying rapidly, this may be your last chance to buy the stock this cheap.

The dividend is highly safe and grows consistently each year. For 26 years straight years, it's increased its payout to shareholders, including through the pandemic.

Foolish takeaway

The most exciting stocks are those that have the potential to grow rapidly. Not every investment is going to be these high-risk, high-reward stocks, though.

It's important to have high-quality companies you can own and rely on for the long term making up the core of your portfolio.

Just because these stocks like Enbridge aren't the most exciting doesn't mean they won't play a big role in growing your portfolio. Enbridge offers a tonne of stability, an incredible dividend, and long-term growth potential. That's why it's still one of the top stocks to buy now.

Since the start of the year, though, Enbridge has finally started to rally more consistently. This is positive for investors. However, if you don't own Enbridge, then one of the top stocks in Canada has been getting a lot more expensive lately.

That's why it's one of the stocks I'd be looking to buy now. With so much momentum, it looks like it will only continue to get more expensive.

The stock has a tonne of upside, and analysts tend to agree. Its consensus one-year target price is nearly \$55, and all 10 analysts have it rated a buy. That's roughly 20% upside from its current price. And when you consider its dividend yields 7.2%, investors have the potential to earn a more than 25% return on the stock over the next 12 months.

When you consider Enbridge's quality, the role it can play as a core stock in your portfolio, plus the incredible discount and yield of the stock, it's easily one of the best Canadian stocks to buy now.

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1. Dividend Stocks
2. Energy Stocks
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2. TSX:ENB (Enbridge Inc.)

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