1 TSX Stock to Buy Immediately in 2021

Description

There are two common methods for saving for investing. Some people save whatever's left at the end of the month after meeting all the usual (and discretionary) expenses. Other, more serious, and goal-oriented investors take the savings out of the equation at the beginning and try to spend the rest of the month on whatever money they have left.

This allows them to develop a predictable and reliable saving pattern. Such investors find it easy to max out their TFSA and even their RRSP (if that's part of their savings plan). But a strict saving pattern doesn't mean you should also designate a time to *invest* your savings. Having enough capital at your disposal gives you the freedom to make a move at the optimal moment and buy when the opportunity is perfectly ripe.

One such opportunity might be the relatively new insurance company **Trisura Group** (TSX:TSU).

The company

The company Trisura Group is made up of three wholly owned subsidiaries: a guarantee insurance company, a specialty insurance company, and international insurance. It operates in the insurance segments of surety, risk solutions, corporate governance, and reinsurance. The group was founded in 2017, and since its inception, it has grown its market value by over 400%.

The underlying companies are relatively older, especially the Canadian side of the business, which has a 15-year operating history. The U.S. business is about three years old. The company draws its revenue from three different insurance segments: specialty, excess and surplus lines market, and property and casualty insurance.

The stock

Trisura has a strong balance sheet, and its revenue has been steadily increasing for the last five years. But 2020 has been especially good for the company's financials. That's probably the reason why the share price has grown over 195% since the start of 2020. The growth has also made the insurance company a bit overpriced. But even with a heavy price tag, Trisura might be a good long-term growth bet.

The company has been growing steadily — both its financials and its international presence. It has also been sensible about investing its capital, and about 54% of it is tied to secure bonds. Both the company and its investments have relatively stellar ratings, making it a relatively secure long-term investment.

The stock has been hovering around $115 and $125 per share for a while now, but it has been slightly dipping for the last few days. If it keeps going in that direction, you might be able to buy it at a more favourable price.

Foolish takeaway

Even after consolidation, Trisura Group is nowhere near the scale of the insurance giants in the country, but it might share their stability. Plus, it has a strong U.S. and international presence, and if it keeps growing its outside exposure, it might achieve new growth heights in the near future. It hasn't started paying dividends yet.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:TSU (Trisura Group Ltd.)

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1. Business Insider
2. Koyfin
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