



Got \$3,000? 3 Top TSX Stocks to Buy Amid the Market Rally

Description

TSX stocks at large have gained around 50% in the last 12 months. Despite the strong gains, markets seem in great shape and could continue to rally. Aggressive vaccinations and an ongoing economic recovery will likely play well for stocks in the short to medium term. Here are the three top TSX stocks that offer decent growth prospects for the long term.

Constellation Software

Top tech company **Constellation Software** ([TSX:CSU](#)) has been a solid money multiplier for investors for the last several years. It has delivered above 40% average total return in the past decade, more than 10 times the **TSX Composite Index**! That means a \$25,000 investment in 2011 in CSU stock would have made you a millionaire today.

Its unique business model and consistent profitability fueled its performance all these years. Constellation Software acquires smaller software companies that have leading market share in their particular domain.

The company recently conveyed its aggressive growth plans and [announced](#) that it would be looking for bigger targets in broader market verticals. This will likely accelerate the company's free cash flow growth and ultimately enhance shareholder returns in the long term.

Major Drilling Group

Investors seeking to bet on commodity supercycle can consider **Major Drilling Group International** ([TSX:MDI](#)) stock. A relatively faster economic recovery in China will likely bode well for commodities and ultimately [commodity investors](#).

Major Drilling International is a \$570 million specialized drilling company that derives a major chunk of revenues from gold and copper mining activities. What differentiates MDI is it provides specialized services like deep-hole drilling, high altitude drilling, and directional drilling.

Its specialized services allow miners to dig into less-approachable deposits. Miners increase their capital investments amid the higher metal prices, which indicates higher business opportunities for drillers like MDI.

In Q4 2020, Major Drilling Group reported year-over-year revenue growth of 23% but posted a loss of \$1.5 million.

MDI stock has almost doubled in the last 12 months. An encouraging outlook for metals could continue to drive the stock further higher.

Maxar Technologies

Very few companies operate in the space technology area. **Maxar Technologies** ([TSX:MAXR](#))([NYSE:MAXR](#)) is one of them. A \$3 billion Maxar is a leading company in this domain that focuses on earth imagery and geospatial data analytics.

It provides services to government as well as commercial customers in navigation, broadband communications, and advanced use of space.

The company reported \$1.7 billion in revenues last year, a growth of just 3% year-over-year. It expects a 7% revenue growth in 2021. While it saw an ordinary top-line growth last year, Maxar's income almost tripled in 2020. A higher government spending on space programs could notably boost its financials in the next few years.

MAXR stock is up more than 220% in the last 12 months. It has come down about 35% since January. The recent correction could be an opportunity for discerned investors. Notably, the stock offers significant growth potential for the next decade amid the ambitious global space race and potential topline growth.

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TICKERS GLOBAL

1. NYSE:MAXR (Maxar Technologies)
2. TSX:CSU (Constellation Software Inc.)

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