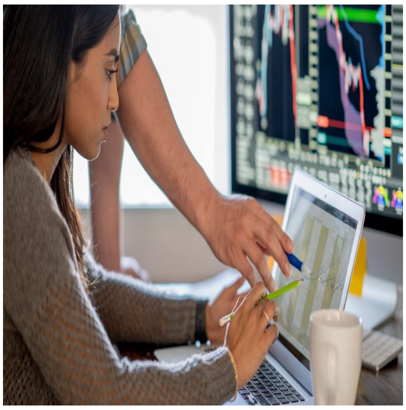

3 Top-Performing TSX Stocks That Are a Bargain Today!

Description

TSX stocks have had an amazing run in 2021. Year-to-date, the TSX Index is up over 10%. A number of sectors like financials, materials, energy, and industrials have had a nice uptick in their business prospects and likewise their stock prices. However, on the flip side, growth stocks that were winners from the COVID-19 pandemic have almost been forgotten.

Perhaps such strong results like in 2020 cannot be replicated. Yet, many of these businesses now have very strong balance sheets and great platforms for growth going forward. Given this, here are three historically top-performing TSX stocks that trade at bargain prices today!

A forgotten TSX tech stock

Enghouse Systems (TSX:ENGH) has done absolutely nothing in 2021. In fact, year-to-date, this TSX stock is down by 6%. Yet, I believe this presents a great long-term buying opportunity. Enghouse is one of the best-performing stocks on the TSX over the past 10 years. Had you bought this in April 2010, you'd be sitting on a hefty 1,460% gain!

Initially the pandemic was a huge benefit to its business. Tons of customers ran to its video conferencing platform and omni-channel contact centres services. However, for the past few quarters growth has temporarily slowed.

Regardless, this TSX stock is loaded with cash and has near zero debt. Even after paying a substantial special dividend, it is sitting on $230 million. The company has very consistent recurring revenue streams, high margins, and produces a ton of free cash flow. This management team is great at buying technology businesses on the cheap and transforming them into cash cows. Growth will return, and when it does, you'll be happy you were a shareholder.

A massive pandemic winner

Richard Packaging (TSX:RPI-UN) is another forgotten COVID-19 success story. Find yourself washing your hands often with hand sanitizer? Chances are pretty good Richard's supplied and distributed the plastic containers for those products.

In fact, it is the third-largest distributor of containers and product packaging in North America. For organic revenue growth (47%) and profitability, 2020 was one of its best years ever. Yet, this stock isn't new to success on the TSX. Just like Enghouse it earned shareholders over 1,000% returns over the past 10 years.

The company is very well managed and management own a large stake of the business. While organic growth will likely be negative in 2021, this company has low leverage and a very productive 8% free cash flow yield. The stock trades at 15 times earnings. For an unknown industrial powerhouse stock, this is a great value buy today.

A TSX e-commerce stock

Last but not least, **Cargojet** (TSX:CJT) looks interesting today. You may not be aware, but this TSX stock's 10-year total return almost beats the previous two stocks combined. Since 2010, it has earned shareholders a 2,656% return (had you re-invested the dividends). Yet since the start of 2021, the stock has pulled back by more than 10%.

I don't know if you have been following the earnings results of **UPS**, **Amazon** or **Shopify**, but their businesses are absolutely on fire (in a good way)! If anything, e-commerce has solidified itself as an everyday part of life for North Americans. This bodes very well for a business like Cargojet.

It is Canada's largest and most dominate over-night air cargo carrier. Since 2020, it has taken market share from traditional passenger carriers and solidified its position as an e-commerce cargo carrier of choice. So much so, that it just signed an expanded services agreement with Amazon in Canada.

As long as consumers want more "next-day" delivery services, this TSX stock is going to do very well. The pullback is a great opportunity to participate in the e-commerce revolution!

CATEGORY

1. Coronavirus
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

1. TSX:CJT (Cargojet Inc.)
2. TSX:ENGH (Enghouse Systems Ltd.)
3. TSX:RPI.UN (Richards Packaging Income Fund)

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