



3 “Short-Term” Stocks to Buy on the TSX Today

Description

Here at the Motley Fool, we tend to go by [Warren Buffett’s](#) advice for buying stocks: if you’re not willing to hold onto a stock for 10 years, then don’t even consider owning it for 10 minutes. But what if you’re looking to cash out at least part of an investment from the TSX today reasonably soon?

Now, when I say soon, or short term, I’m not talking about holding for a month. That’s dangerous, in my opinion, for the everyday investor. So, I’m still recommending holding these for about five years or longer, if you can! But if you can’t, these three stocks on the TSX today are strong options to consider for short-term gains.

AC Stock

Air Canada (TSX:AC) is a [strong option](#) to buy on the TSX today amid the market rebound. The company recently received \$5.9 billion in government aid. A large portion will be used to pay back customers for COVID-related flight cancellations. The rest will be to help pull its balance sheet out of the \$13 billion gutter.

But let’s get real here. AC stock wasn’t exactly taking on zero debt before the pandemic. Granted, that made it worse, but the company made a lot of investments beforehand — investments that are beneficial to investors during a rebound in air travel.

AC stock bought fuel-efficient aircraft, acquired its Aeroplan loyalty program and has since started cargo operations. These are easy ways to make back money quickly. The company is changing after the pandemic with money on the mind. Within five years, I expect shares to be back at pre-pandemic norms, and then some. That makes it a solid stock to buy on the TSX today, with a potential 100% upside.

Suncor stock

Air travel isn’t the only pandemic-related rebound happening on the TSX today. The oil and gas glut is

finally moving, with production ramping up as the pandemic shifts down a gear with vaccinations underway. This means a company like **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) is the perfect by as Canada's largest fully-integrated oil and gas producer.

Part of this comes from not just the ramping up of production, but the company's acquisitions make before the pandemic. Suncor stock now has a major foothold in the Albertan oil sands. This alone could drive the share price higher, but the end of the pandemic is what should do it. We're still waiting on vaccinations to roll out [nationwide](#). So, investors should expect a boom from demand, as commuters get back to work.

Suncor stock trades at 1.6 times sales and 1.1 times book value, making it a value stock everyone can afford to pick up. Analysts estimate its revenue to continue climbing as production ramps up, with a price target around \$32 as of writing for the next 12 months. That's a potential upside of 23%!

Magna International

Now for those hoping electric vehicles (EV) see a boom before the end of the decade, then **Magna International** ([TSX:MG](#))([NYSE:MGA](#)) is the stock you should consider. The company continues to provide car parts to auto manufacturers. However, it's made a significant shift to electric production with its joint venture with **LG Electronics**.

While it's well known through North America, the company hit a major milestone recently when it created 100,000 eDrive gearboxes for Chinese EV manufacturers and won additional business in China afterward. This is a huge win, as China is both the largest consumer and producer of EVs in the world. As the world shifts to EV, Magna hopes to continue this throughout Europe as well.

So, for those believing a shift in EV will happen sooner as opposed to later, then Magna is where you want to be. Despite seeing 115% in share growth this year alone, the company is still considered cheap. Its valuations sit at 0.9 times sales and 2.4 times book value. So, yet again, here is a value stock you can see returns from in the next five years, but holding out longer won't be a bad option for Magna stock on the TSX today.

CATEGORY

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TICKERS GLOBAL

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2. NYSE:SU (Suncor Energy Inc.)
3. TSX:AC (Air Canada)
4. TSX:MG (Magna International Inc.)
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Author

alegatewolfe

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