



Got \$3,000? Here Are 3 TSX Stocks for Long-Term Investors

Description

Despite the fluctuations in the stock market, investors should continue to invest in fundamentally strong companies to generate solid long-term returns. If you have \$3,000, consider buying these top TSX stocks that are looking quite attractive at current levels and are solid, long-term bets.

Bank of Montreal

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) has consistently delivered solid financials and has boosted its investors' returns over the past several years. Notably, its stock appreciated nearly 48% in six months, thanks to the steady improvement in the economy and continued strength in its core business. Despite the uptrend, its stock is trading at a lower price/book value (P/BV) ratio of 1.5, suggesting further [upside from the current levels](#).

Bank of Montreal's net income registered solid double-digit growth in the most recent quarter. Strong credit performance and effective expense management drove its profitability. I expect the bank to continue to deliver strong EPS growth in 2021 on the back of higher loans and deposit volumes, a sharp reduction in provisions, and improving operating efficiency.

Furthermore, investors could continue to benefit from Bank of Montreal's consistent quarterly dividend payments. Thanks to its high-quality earnings base, Bank of Montreal has regularly paid dividends for 192 years. Furthermore, it increased dividends by a CAGR of 6% in the last 15 years. At current price levels, it offers a dividend yield of 3.6%.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is a must-have for long-term investors. Its expensive valuation and expected normalization in demand have led to a healthy pullback in its stock. Notably, Shopify has corrected by about 29% from its peak of \$1,900.58, signaling a good buying opportunity for investors.

I believe increased spending on e-commerce platforms and strong secular tailwinds provide a solid base for future growth. Moreover, Shopify's continued investment in growth initiatives acts as a catalyst provides multi-year growth opportunities.

For instance, Shopify's expansion of its fulfillment network, the addition of high-growth sales channels, growing global footprint, and increased adoption of its multi-currency payments platform suggest that its top line could continue to grow at a breakneck pace. Furthermore, high-value products and operating leverage could continue to drive its margins and boost its stock price.

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) went through the roof in 2020 and should be on your radar to [create wealth](#) in the long run. Despite the recent selloff, Lightspeed stock is up about 189% in one year, reflecting stellar demand for its digital products and services.

I am bullish on Lightspeed stock and see the recent selloff as an excellent opportunity for investors to buy this high-growth company. Lightspeed is likely to gain from strong secular industry trends and elevated demand for its digital offerings.

Besides the strength in its base business, Lightspeed is likely to benefit from its solid capital-allocation strategy. Its recent acquisitions have driven its customer base, accelerated revenue growth rate, and solidified its competitive positioning in high-growth markets. I believe Lightspeed's focus on product innovation, geographical expansion, up-selling, and strategic acquisitions could continue to bolster its growth rate and push its stock higher.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:LSPD (Lightspeed Commerce)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:BMO (Bank Of Montreal)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:SHOP (Shopify Inc.)

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