



## Got \$1,000? 3 Rallying TSX Stocks to Buy Right Now

### Description

While TSX stocks appear shaky, as they linger around their record highs, some indicators indeed suggest a continued rally. Higher inflation fears could hinder their upward march, but strong earnings growth and economic recovery will likely boost them for the rest of the year. Here are three top TSX stock investors can consider for the longer term.

### Major Drilling International

One of the top driller stocks, **Major Drilling International** ([TSX:MDI](#)) is up more than 40% since last month. The mining stocks have been on a solid move this year after commodity prices zoomed on expectations of an economic recovery.

Major Drilling is a \$750 million specialized drilling company and mainly derives its revenues from copper and gold mining. It specializes in unconventional drilling operations like deep-hole drilling, high altitude drilling, and directional drilling.

As gold and copper prices are on the rise, miners increase their capital investments and ramp-up production, which bodes well for drillers like Major Drilling. It has seen notable revenue growth in the latest quarterly results, and the trend could well continue as metals rally.

Since the crash in March last year, MDI stock has soared almost 300%, beating TSX stocks by a large margin.

### Enbridge

After a growth stock, let's balance the portfolio with one stable dividend-paying stock. Consider **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). The energy midstream giant has a handsome dividend profile and yields over 7% at the moment. Although ENB stock has underperformed broader markets in the short term, it has been a tremendous wealth creator in the very long term.

Enbridge's low-risk operations facilitate stable cash flows that enable consistently growing dividends. It has managed to raise dividends for the last 26 consecutive years.

The company intends to invest \$17 billion in capital projects through 2023. These growth projects are expected to generate around \$2 billion in incremental EBITDA by 2023, unlocking significant value for shareholders. Enbridge aims to increase its dividends by 5-7% annually for the next three years.

Enbridge offers [decent total return potential](#) for long-term investors with such visible dividend growth and decent capital gain prospects.

## Air Canada

**Air Canada** ([TSX:AC](#)) stock has rallied on two pivotal triggers, as it emerges out from the pandemic. One was the vaccine launch last year, and the other one has been the expectations of the bailout. These factors have boosted AC stock by almost 75% since last October.

After these two booster shots, I think the third factor that could drive AC stock higher in the short term will be the loosening of travel restrictions. As the Canadian government is considering opening up the U.S.-Canada border, it could eventually consider relaxing travel restrictions with other major vaccinated countries as well.

This will bode well for Air Canada and other Canadian airlines, as higher potential [revenues](#) will likely help lower their cash burn. Air Canada's cash burn stood at around \$1.27 billion in Q1 2021, as the majority of its fleet remained grounded. As passenger airlines normalize their operations after re-openings, revenue recovery in the next couple of quarters should also lower the dent on their bottom lines.

Air Canada looks strong relative to its peers because of its balance sheet strength and significantly higher market share. AC stock could continue to trade strong amid hopes of air travel re-opening and improving financials.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Metals and Mining Stocks
5. Personal Finance
6. Stocks for Beginners

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:AC (Air Canada)

3. TSX:ENB (Enbridge Inc.)

## **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

## **Category**

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Metals and Mining Stocks
5. Personal Finance
6. Stocks for Beginners

## **Tags**

1. Editor's Choice

## **Date**

2025/07/05

## **Date Created**

2021/05/17

## **Author**

vinitkularni20

default watermark

default watermark