



Forget Bitcoin: 2 Top Canadian Stocks to Buy Instead

Description

The Bitcoin rally might be over, and investors are now looking for top Canadian stocks that can deliver attractive returns on their crypto profits.

Why Enbridge stock deserves to be on your buy list

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a giant in the North American energy infrastructure industry with oil pipelines, natural gas transmission, gas storage, gas distribution, and renewable energy assets.

A rebound in fuel demand is expected to accelerate in the second half of 2021, as companies call workers back to the office and airlines increase flights. The result should drive crude oil volumes back to near-capacity levels across Enbridge's oil pipeline network.

Enbridge transports roughly 25% of the oil produced in Canada and the U.S. and about 20% of the natural gas used in the United States. The gas utility business that serves homes and businesses in Canada and the renewable energy power assets performed well through the pandemic and helped mitigate the hit to the oil pipelines last year.

Enbridge reported solid [Q1 2021 results](#). Distributable cash flow (DCF) came in at \$2.8 billion compared to \$2.7 billion in Q1 2020.

The company reaffirmed full-year 2021 EBITDA guidance of \$13.9 billion to \$14.3 billion. DCF is expected to be \$4.70 to \$5.00 per share. Enbridge says \$10 billion in new assets will go into service in 2021. This should drive cash flow growth of 5-7% per year in 2022 and 2023. Dividend increases will likely be in line with the DCF growth.

On the [ESG initiatives](#), the company put a net-zero emissions target in place last year with a goal to reach the goal by 2050.

Enbridge trades near \$47 per share at the time of writing and provides a 7% dividend yield. The stock was at \$56 before the pandemic. It wouldn't be a surprise to see Enbridge drift back to that price in the

next 12 months.

Telus is a top Canadian stock with good exposure to 5G

Telus ([TSX:T](#))([NYSE:TU](#)) raised money this year through the successful IPO of its international business and a strong uptake on the issue of \$1.3 billion in stock. The funds are being used to progress the company's capital program, which includes the rollout of fibre optic lines and the expansion of its [5G network](#).

The company also has a rising star in its Telus Health division. The business took off over the past year helping doctors, hospitals, and insurance companies serve patients across a number of digital platforms. Digital disruption in the health sector is expected to grow in the coming years, and Telus Health is already a leader in the Canadian market.

Telus recently raised its dividend, despite the large capital program. The stock appears attractive right now and should deliver steady dividend and capital gains in the coming years.

Investors who buy now can pick up a 4.8% yield and simply sit on the stock for years.

The bottom line

Bitcoin is certainly exciting, but recent volatility is a reminder of the cryptocurrency's risks for investors. If you have some crypto profits to invest in top Canadian companies with attractive yields, Enbridge and Telus deserve to be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

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2. NYSE:TU (TELUS)
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