



## 3 Top Canadian Stocks to Buy if You Have \$3,000

### Description

Every investor has his or her own criteria for what qualifies as a top stock. Some attribute aggressive growth to top stocks, while others focus more on generous yields. For some investors, the short-term return potential of a stock is more attractive, while others believe in a more buy-and-forget approach to investment.

Buying good companies and sticking with them for a long time is usually one of the best ways of becoming rich slowly over time. More of your slow and gradual stock bets are likely to pay off compared to relatively risky but explosive opportunities. And if you agree to that investment approach, there are three stocks that might deserve half of this year's Tax-Free Savings Account (TFSA) contribution room, that is, \$3,000.

### An independent fuel retailer

**Parkland** ([TSX:PKI](#)) is Canada's (and Caribbean's) largest independent fuel retailer, but that's not the breadth of its business operations. The company deals in other petroleum products and has its own convenience store chain. The company has a presence in 25 countries, but the largest of its footprint is in Canada and the U.S. It moved about 21 billion litres of fuel in the last 12 months and has over 2,820 retail company and dealer sites.

Unlike the "source" fuel companies from the energy sector, Parkland doesn't have a very impressive last 12-month performance to show for it. But one of the reasons behind that is that Parkland recovered most of its pre-pandemic valuation back pretty quickly, growing 84% between the crash and early 2021. It's also a Dividend Aristocrat that is currently offering a 3% yield. Combine that with its 10-year CAGR of 18% and it qualifies as a steady, top stock.

### A bank

**National Bank of Canada** ([TSX:NA](#)) is easily [one of the best](#) growth-banking stocks currently trading on the **TSX**. It's also a Dividend Aristocrat of 11 years and is currently offering a decent yield of 3%. It

used to offer a more generous yield, but that's now being overshadowed by the capital growth this banking stock is offering. It grew about 74% in the last 12 months alone and had a very stable (and sustainable) 10-year compound annual growth rate (CAGR) of 13.3%.

The bank has an impressive national footprint with its 483 branches, most of which are concentrated in Quebec. That's also where 54% of its revenue came from last year. The bank has about \$597 billion worth of assets under its management and is rock solid financially.

## A transportation company

Another Aristocrat you [might consider](#) adding to your portfolio is **TFI International** ([TSX:TFII](#))([NYSE:TFII](#)). One of the best things about this stock is that despite going through one of the most impressive growth spurts in the company's history, it's not nearly as expensive as it could be. It is expensive, but its 10-year CAGR of 24.8% justifies the price tag, although the 1% yield might sour the deal for some investors.

But if you are working with relatively limited capital, say \$1,000 off the total \$3,000 capital you have for the three stocks, an impressive capital growth potential might be a better attribute to pursue than a high yield.

## Foolish takeaway

If you invest \$3,000 in the three companies (\$1,000 each), and they can sustain their 10-year CAGR for another decade, you might turn your investment into a \$17,500 nest egg in a decade. The three companies are well positioned in the industry, not overly expensive, and have proven their mettle during one of the worst economic crises in recent history.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:TFII (TFI International)
2. TSX:NA (National Bank of Canada)
3. TSX:PKI (Parkland Fuel Corporation)
4. TSX:TFII (TFI International)

### PARTNER-FEEDS

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

7. Yahoo CA

**Category**

1. Bank Stocks
2. Dividend Stocks
3. Investing

**Date**

2025/08/15

**Date Created**

2021/05/22

**Author**

adamothonman

default watermark

default watermark