



Bet on Canada: 5 TSX Stocks to Buy Now

Description

A few days back, I [wrote](#) about how you can gain exposure to international markets at the comfort of your home. But Canada has its strengths. The U.S. News & World [Report](#) ranked Canada as the No. 1 country in the world in 2021 for its quality of life and social purpose. Here are five stocks that contributed toward improving the quality of life of Canadians.

BCE

Betting on a country involves betting on its infrastructure. **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) has Canada's largest telecom infrastructure that earns it regular cash from subscriptions. Now it is expanding its 5G footprint. But this investment will not come in the way of its dividends.

BCE has been paying regular dividends for over 20 years, and in the last 12 years, it even increased the dividend at an average annual rate of 6.4%. An incremental dividend is the strength of Canada. BCE can't make you wealthy, but it can help you fight inflation and earn regular passive income with its 5.7% dividend yield while you spend time with your family and pursue your dreams.

SmartCentres REIT

Another form of infrastructure is real estate, and **SmartCentres REIT** ([TSX:SRU.UN](#)) is a leader in it when it comes to retail stores and shopping malls. It is broadening its portfolio to include residential, office, and multipurpose facilities. Real estate goes through its up and downs but mostly remains stable. Land prices aren't going down because the land has high utility and limited supply.

Your portfolio is incomplete without a real estate stock. Among the many Canadian REITs I scanned, SmartCentres has the highest dividend yield of 6.22%. The REIT won't give you much capital appreciation, but over 6% annual yield with little price volatility is like a job with security, which is very rare these days.

TC Energy stock

Infrastructure without energy is incomplete. **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) has an infrastructure for natural gas production, storage, and transmission. The stock is down 4% from mid-June since it called quits to build the Keystone XL oil pipeline after U.S. President Joe Biden blocked the project. It stopped its 16-year quest to focus on other projects that have a better chance at completion.

The news had a fallback, but it removes the blockade for new revenue streams. This is a good time to buy the stock as the dip has increased its dividend yield to 5.56%. You could see some capital appreciation which the Keystone project had capped.

Air Canada stock

At the heart of Canada is **Air Canada** ([TSX:AC](#)), which has made its mark as one of the top five airline carriers of North America. The airline was severely hit by the pandemic. Until March 2021, there were even concerns of a potential bankruptcy if the travel restrictions were prolonged for another year. Carrying the burden of a \$6 billion net loss, Air Canada downsized enough to slow its cash burn. The \$5.9 billion bailouts also helped. At least the airline is out of the risk of bankruptcy.

But fears of a fourth wave still haunt the airline. Once the fear subsides, there will likely be a bright recovery for AC. It could fall to as low as \$20-21 and surge to up to \$40 in the worst and best-case scenario.

Canadian Tire

You can partially offset the volatility of AC with **Canadian Tire** ([TSX:CTC.A](#)), whose brick and mortar stores penetrate Canada. It is a household name. Most Canadians have at some point purchased something from Canadian Tire. Just look around your house and you will see what I am saying.

And now your friendly neighbourhood retailer is online. It has embraced e-commerce technology and is set to become an omnichannel success. Staying home has enhanced shopping for home items. The stock may not give you significant growth, but it won't fall significantly also. Its stock graph is relatively stable, and so is its 2.4% dividend yield.

Investor takeaway

All of these companies have made your life easy. As long as you use their products and services, they will keep you happy as a customer and a shareholder.

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TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TRP (Tc Energy)
3. TSX:AC (Air Canada)
4. TSX:BCE (BCE Inc.)
5. TSX:CTC.A (Canadian Tire Corporation, Limited)
6. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)
7. TSX:TRP (TC Energy Corporation)

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