



These 2 TSX Stocks Could Rally in the Next Couple of Weeks

Description

Stock investors continue to be cautious ahead of the upcoming corporate earnings season. This could be the reason why stocks have traded on a mixed note in July so far after touching new heights in the first half of the year. While many stocks saw a massive rally in the first half of the year, some stocks still look cheap, despite their improving fundamental outlook. Here are two such amazing **TSX** stocks that could start a rally in the coming week as we enter the latest quarterly earnings season.

Shopify stock

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) stock remained one of the [most underappreciated stocks](#) on the TSX until May. At the end of May 2021, the shares of the Canadian e-commerce services provider were trading with only 3% gains for the year against a more than 13% rise in the TSX Composite Index. Nonetheless, SHOP stock started a sharp rallying in June, as it posted 22.5% gains for the month.

Shopify is gearing up to announce its second-quarter results on July 28. I expect the company to continue beating Street analysts' earnings and sales estimates. Its sales in the [first quarter](#) more than doubled on a YoY (year-over-year) basis to US\$989 million. According to the latest analysts' consensus estimates, its sales growth could fall to just 45% YoY. I find this estimate to be very conservative, as the strong demand for e-commerce services remains intact. That's why the chances of Shopify beating this expectation remain high.

In 2019 and 2020, Shopify stock yielded absolutely outstanding returns of 174% and 178%, respectively. However, the stock is currently trading with only 32% year-to-date gains. It could be a good opportunity for long-term investors to buy this amazing TSX [tech stock](#) cheap.

TC Energy stock

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is another amazing TSX stock that you may want to include in your portfolio right now before the company reports its Q2 results later this month.

TC Energy recently had to cancel its work on the Keystone XL Pipeline Project in the United States — months after the new administration in the country revoked a presidential permit, which the former president Donald Trump signed earlier. Nonetheless, the company still has many big projects in its pipeline. Its management has already announced its decision to advance secured growth projects worth \$20 billion. These projects should keep TC Energy's long-term growth outlook strong, despite the cancellation of the Keystone XL Pipeline Project.

The pandemic-related shutdowns and restrictions triggered a massive selloff in oil prices — badly hurting energy companies' growth prospects. This was the reason why TRP stock fell by 25% last year. While the oil prices have recently inched up to their multi-year high, the shares of many energy companies like TC Energy still look cheap. Its stock is currently trading at \$62.43 per share with about 20.6% year-to-date gains against a 16.3% rise in the TSX Composite benchmark.

As the demand for energy products continues to surge amid reopening economies and rising vaccinations, TC Energy stock could stage a sharp rally in the coming months. And its Q2 earnings event on July 29 may act as a catalyst to start this expected rally, I believe.

CATEGORY

1. Energy Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. NYSE:TRP (Tc Energy)
3. TSX:SHOP (Shopify Inc.)
4. TSX:TRP (TC Energy Corporation)

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