



Got \$1,000? 3 Top TSX Stocks to Buy in August 2021

Description

The second-quarter earnings season gathered a full swing, with many Canadian bigwigs reporting this week. The numbers overall look great and suggest a sustained rally post-pandemic. Here are three [TSX stocks](#) that could drive strong growth in the long term.

Suncor Energy

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) reported its second-quarter earnings on July 29. While the results were a mixed bag for investors, the stock might continue to trade muted. Canada's biggest oil sands producer returned to [profit](#) during Q2 2021, thanks to increased production and higher oil prices. However, Suncor Energy disappointed investors with no dividend hike despite a huge surge in cash flow from operations.

The second half of 2021 could continue to be encouraging for energy investors. So, Suncor Energy investors might see their payouts recouping, probably in the next few quarters. Importantly, SU stock is trading at a price-to-book value ratio of 1.1x and looks notably cheap.

Not only do I think of it as undervalued, the company might also have a similar perspective, and that's why it bought back 23 million shares during the quarter.

Suncor Energy stock is up almost 20% in the last 12 months, lagging peers by a wide margin. It pays a stable yield of 3.2% at the moment.

Nuvei

Canadian fintech stock **Nuvei** ([TSX:NVEI](#)) has been on a roll this year. Its superior quarterly performance and strategic acquisitions boosted its stock 135% since last September. Nuvei plans to release its Q2 2021 earnings on August 10. Notably, online shopping has substantially expanded Nuvei's numbers in the last few quarters. I think the trend will likely continue, given the pandemic-related restrictions in place in many parts of the world.

Nuvei provides payment processing gateways to merchants, sports wagering companies and cryptocurrency platforms. It generates revenues by charging transaction fees to merchants for providing a payment gateway and value-added services like analytics and insights to them.

In Q1 2021, Nuvei's revenues soared 80% year-over-year. Notably, Above-average revenue growth and upbeat management commentary in the upcoming quarter could fuel NVEI stock further higher.

Canadian Utilities

After two growth stocks, my third pick is a defensive bet. It is one of the top utility stocks **Canadian Utilities** ([TSX:CU](#)). Utility stocks usually play well during volatile markets, and their [stable dividends](#) help create a passive income stream.

Canadian Utilities is an apt bet if you are looking for stable dividend payments for years. It offers a decent dividend yield of 5%, higher than Canadian stocks on average. At 49 consecutive years, CU holds the crown for the longest dividend growth streak in Canada. It will likely continue to pay such consistently growing dividends for years, mainly due to its recession-resilient operations and earnings stability.

It generates a majority of its earnings from low-risk, rate-regulated operations. This makes its earnings and dividends more predictable. That's why utilities stand tall during recessions and can maintain their dividend growth for decades.

CU stock has returned 20% so far this year. If you are looking for stable returns and less volatile stock, CU should be on top of your list.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
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TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:NVEI (Nuvei Corporation)
4. TSX:SU (Suncor Energy Inc.)

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