



The 2 Best Stocks to Buy Now in Canada

Description

The Toronto Stock Exchange is five months away from the year-end, and we're not sure if the index will close 2021 with a bang or a whimper. Apart from the pestering COVID variants, rising inflation and the housing market bubble threatens the [market's stability](#).

Canada's primary benchmark posted an all-time high (20,311.80) on July 29, 2021. It beat the previous record of 20,300 set on July 6, 2021. The TSX, however, dipped slightly to finish the month at 20,287.80, which is good for a 16.37% year-to-date gain. Hot inflation, however, seems to be the top-of-mind concern of investors.

People don't want to see higher prices post-pandemic. Canadians are nervous, because they've experienced higher consumer prices in the last three months. The price gains since April 2021 were higher than the central bank's 1-3% control range. Bank of Canada governor Tim Macklem is confident they can keep the cost of living under control as the economy reopens.

Still, investors shouldn't feel complacent. Unseen factors can rock the boat in the coming months. If you were to invest or want to remain invested, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) and **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) are the best [dividend stocks](#) to buy or own today.

Best in class

Enbridge capped the first half of 2021 with an excellent performance, operationally and financially. Its president and CEO, Al Monaco, said, "Our performance in the first half of 2021 has set us up well for the full year." He added that the company is on track to bring \$10 billion of projects into service this year.

Thus, management reaffirm Enbridge's full-year 2021 financial guidance. Monaco's confidence that Enbridge will generate 5-7% in distributable cash flow growth through 2023 stems from secured growth execution and embedded asset growth. The \$99.62 billion energy infrastructure company will likewise continue to advance its strategic priorities across all four franchises.

The best-in-class energy stock outperforms the broader market with its 25.21% gain thus far in 2021. At the current share price of \$49.18, the dividend yield is a juicy 6.75%. Furthermore, the 46,046.46% (14.4% CAGR) total return in the last 45.6 years should tell you why Enbridge is a [buy-and-hold asset](#).

Blue-chip asset

Toronto-Dominion Bank is North America's fifth-largest bank and second-largest lender in Canada. If you're looking for a dividend stock that will deliver lasting income streams, this blue-chip asset is the one. Remember that this 166-year-old bank has been through the worst recessions and economic meltdowns.

The low-interest rate environment and the COVID-19 pandemic are massive headwinds, yet TD remains as formidable as ever. Investors are pleased with the 18.77% return so far and look forward to an 11.76% return potential based on analysts' forecasts. At \$82.95 per share, the dividend yield is 3.78%.

TD's dividend track record is an incredible 164 years. It means this \$150.86 billion bank started paying dividends two years after commencing operations. The dividend payments should be safe and sustainable, given the low 40.67% payout ratio.

Best investment moves

A return to COVID restrictions is possible if Canada can't nip the spreading Delta variant in the bud. Likewise, the Bank of Canada must keep inflation at bay as promised. Meanwhile, investors should start protecting their capital for any eventuality. Buying Enbridge and TD shares could be the best investment moves you'll ever make in 2021.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:ENB (Enbridge Inc.)
4. TSX:TD (The Toronto-Dominion Bank)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred

5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. cliew
2. kduncombe

Category

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

Date

2025/07/21

Date Created

2021/08/02

Author

cliew

default watermark

default watermark