



## 5 of the Best TSX Stocks to Buy in the 1st Week of August

### Description

As Canadian stocks have rallied rally for the last six months in a row, it has become difficult for investors to pick fundamentally strong, yet [cheap stocks](#) to buy. That's why I've compiled a list of five of the best **TSX** stocks to buy in the first week of August 2021. Let's take a closer look.

### ATS Automation Tooling Systems stock

**ATS Automation Tooling Systems** (TSX:ATA) is a Canadian industrials sector firm with a market cap of about \$3.5 billion. The company primarily provides automation solutions to make the manufacturing process easier, faster, and cost effective in several industries.

In its fiscal year ended March 2021, ATS Automation's revenue remained stable, despite COVID-19-driven operational challenges and demand issues. Nonetheless, the company is expected to register solid sales growth in the ongoing fiscal year, as surging economic activities boost demand. While its stock has already risen by nearly 68% this year, it still has room to inch up further.

### Descartes Systems stock

**Descartes Systems Group** ([TSX:DSG](#))([NASDAQ:DSGX](#)) could be another great TSX stock to add to your portfolio in August. It's a Waterloo-based enterprise software company with a market cap of \$7.7 billion. Descartes Systems's software solutions mainly help logistics and supply chain businesses to manage their operations more efficiently.

The ongoing trend in its fundamentals is strong, as the company's sales rose by nearly 7% YoY (year over year) in the fiscal year 2021. In the April quarter, its sales growth [improved](#) further to 18.2% YoY, as demand started to increase due to reopening economies. Interestingly, Descartes Systems stock has consistently been delivering positive returns to its investors each year since 2009. This fact also makes it a great stock for long-term investors.

## Cargojet stock

**Cargojet** ([TSX:CJT](#)) is a well-known Canadian air cargo services provider. Its stock is currently trading at \$194.20 per share, as it has risen by nearly 20% in the last four months.

A sudden increase in cargo services demand — especially for essential items — helped Cargojet post a solid 37.4% YoY jump in its 2020 revenue. While its revenue growth is likely to drop as the pandemic-driven cargo services demand equation changes, its bottom line could remain strong. Despite a positive movement in the last few months, its stock is still down by nearly 10% in 2021. It could be an opportunity for long-term investors to buy this amazing TSX stock cheap.

## TransAlta Renewables stock

As the name suggests, **TransAlta Renewables** ([TSX:RNW](#)) mainly focuses on producing power using renewable resources, including wind and hydro. Its stock is trading without any major change this year after soaring by nearly 110% in a previous couple of years.

As the demand for renewable energy continues to increase due to rising environmental concerns, renewable energy companies like TransAlta could flourish in the coming years. I expect its consistent positive revenue growth and improving earnings growth trend to keep TransAlta's stock soaring in the coming quarters. The stock also has an attractive dividend yield of 4.3% at the current market price of \$21.97 per share.

## Winpak stock

**Winpak** ([TSX:WPK](#)) could be one of the undervalued TSX stocks to buy in August 2021. The company provides packaging materials and packaging machinery to businesses. Analysts expect the company to post double-digit revenue growth in 2021 after the pandemic affected its sales growth last year.

Winpak stock is currently trading at \$40.77 per share with about 2.6% year-to-date gains — much lower than the TSX Composite Index's 16.4% rise. Nonetheless, its rising revenues and expanding profit margins could help the stock rise in the coming quarters.

### CATEGORY

1. Dividend Stocks
2. Investing
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### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)

2. TSX:ATS (Ats)
3. TSX:CJT (Cargojet Inc.)
4. TSX:DSG (The Descartes Systems Group Inc)
5. TSX:RNW (TransAlta Renewables)
6. TSX:WPK (Winpak Ltd.)

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