



The 3 Best Canadian Stocks to Buy While They're Still Cheap!

Description

Motley Fool investors may find it hard to wade through the sea of garbage tossed their way these days. The **TSX** looks to be rebounding, then suddenly it isn't. There's an economic recovery, and then another lockdown looks inevitable. It's times like these that investors should look for the best Canadian stocks to get them through not just this year, but decades in the future.

So, today I'm going to be looking at three of the best Canadian stocks. Each is still cheap both in terms of share price and valuations. On top of that, each has a proven track record of strong performance, both from market crashes and during the pandemic.

Now, let's take a look at these three stocks Motley Fool investors can consider for their portfolio.

Gain some assets

One of the best ways to be assured of stable income is investing in an asset management company. In that vein, **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) is one of the top ones you can choose. The company has a slew of offshoot companies focused on several key areas of the economy. It currently has a market capitalization \$117.17 billion, with the goal of being of the "largest investors in real assets," generating "attractive long-term risk-adjusted returns" for shareholders.

Brookfield is one of the best Canadian stocks out there, because of this long-standing tradition of returns. In the past two decades, Brookfield has generated 2,825% in returns, a compound annual growth rate (CAGR) of 18.38%! In the last year alone, shares are up 62%. Yet it's still considered fairly valued, and that's what you want at this point. It's a strong, stable stock that won't be swayed by the markets much. Instead, you'll continue seeing returns and a 0.92% dividend yield for decades.

Bank on returns

The Big Six banks performed as some of the best banks in the world yet again during the pandemic. But of the Big Six, I'd still place my bets on **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) for long-

term growth. That's because TD stock has found numerous ways of generating stable wealth.

There's the growth in the United States; TD has become one of the top 10 banks in the country. There's the shift into wealth and commercial management by TD stock. There's the updated online presence in the face of the pandemic. And then there's what TD stock always had: multiple ways to help you learn about your finances and pay off loans.

TD stock doesn't seem to stop expanding, even in the pandemic. Shares are up 41% in the last year, making it one of the best Canadian stocks among the Big Six banks. In the last two decades, it's up 806% for a CAGR of 11.64%. Yet it's still cheap, with a P/E ratio of 11.08, as investors worry about a future crash. But TD stock's got you covered. You can continue to hold this stock and take in a 3.67% [dividend yield](#) for decades, always knowing it will rebound.

Open your eyes to the future

A lot of Motley Fool investors may believe that tech stocks are too new for [long-term investment](#). However, that's not the case with **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)). Open Text stock has been around for decades, entering the market and staying where people need it most: cybersecurity. That's even more true now than it was then.

But whereas Open Text stock started as one of the best Canadian stocks by growing through acquisition, today is different. It's now using its wealth to make substantial partnerships. These partnerships will continue to bring in even more revenue, even as the company continues its acquisition strategy. So, this is a high-growth stock Motley Fool investors will be happy to own for years!

Shares are up just 18% in the last year, but 1,804% in the last two decades for a CAGR of 15.86%! After another strong earnings report recently, the company also boosted its dividend by 10%, seeing 21.6% growth in revenue, and buying back 2.5 million shares. Clearly, management believes even after two decades, this company still holds value for investors.

CATEGORY

1. Coronavirus
2. Investing
3. Top TSX Stocks

TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)
2. NYSE:BN (Brookfield Corporation)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:BN (Brookfield)
5. TSX:OTEX (Open Text Corporation)
6. 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. alegatewolf
2. kduncombe

Category

1. Coronavirus
2. Investing
3. Top TSX Stocks

Date

2025/08/22

Date Created

2021/08/16

Author

alegatewolf

default watermark

default watermark