



2 Top Canadian Stocks to Buy Right Now

Description

The market has been riding a strong bull run this year, but it's anybody's guess how 2021 will end. The **S&P/TSX Composite Index** is up 15% year to date, even amid all the uncertainty surrounding the COVID-19 pandemic.

Short-term investors may be hesitant to invest while the market is at an all-time high, but long-term Foolish investors don't need to be nearly as concerned. If you're planning on holding a stock for five years or longer, you're better off spending your time focusing on the right companies to buy rather than finding the right price.

The pandemic isn't going to stop me from adding [top Canadian stocks](#) to my investment portfolio. Here are two market-leading companies that are at the top of my watch list right now.

Northland Power

Renewable energy is one area of the market that I'm eagerly looking to increase my exposure to. I added **Brookfield Renewable Partners** to my portfolio not long ago, and now I've got my eye on another leader in the sector: **Northland Power** ([TSX:NPI](#)).

Northland Power is as diversified of a renewable energy provider as you'll find. Not only does the \$9 billion company have operations spread across the globe, but it also offers its customers a wide range of different renewable energy solutions.

After a strong run in 2020, it's been a rough go for the renewable energy sector this year. Many of the market leaders, including Northland Power, are trading well below all-time highs.

Shares of Northland Power are down close to 10% year to date and 20% from all-time highs. Still, it's put up 70% in growth over the past five years, which is close to double the returns of the Canadian market.

On top of that [impressive growth](#), the Canadian stock owns a very respectable dividend yield. At today's stock price, the annual dividend of \$1.20 per share is good enough for a yield just shy of 3%.

There's a lot to like about this energy stock. Any long-term investor would be wise to have it on their radar, especially at these prices.

Brookfield Asset Management

If I were in the process of [building a portfolio](#) from scratch, **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) would be one of my top picks to build around. The \$100 billion company is as close to an index fund as you'll find on the TSX.

The asset management company is a global leader in several different areas of the market. Real estate, infrastructure, energy, and private equity are four of areas that the company specializes in.

Diversification is a key ingredient to achieving success in an investment portfolio. That's especially true when you're just starting out. Because you may be beginning by buying only a couple of different companies, diversifying in different areas of the market will significantly help reduce the risk you're taking on in your portfolio.

It's not only the diversification aspect of this Canadian stock that has it on my radar. Brookfield Asset Management has been a market-crushing stock for many years. Shares are up 140% over the past five years and close to 500% over the past decade.

Its 1% yield may not be able to match what Northland Power offers, but it's growing at a steady rate. The dividend isn't the main reason it's on my radar anyway, so I'd treat it as an added bonus.

CATEGORY

1. Energy Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)
3. TSX:NPI (Northland Power Inc.)

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