



2 TSX Mid-Cap Stocks to Buy This Month

Description

Despite the ongoing challenges brought on by COVID-19 and its new variants, the increasing vaccine rollout and economic expansion have led to many Canadian stocks returning to more profitable ways. Canadian investors looking to capitalize on the opportunity to find [Canadian growth stocks](#) that can deliver substantial returns in the coming years might be eager to add growth stocks to their portfolios.

Mid-cap stocks are publicly listed Canadian companies with market capitalizations ranging between \$2 billion and \$10 billion. These companies offer a significant advantage to many risk-averse investors. Mid-cap stocks offer far better maturity than small-cap stocks, providing investors with the peace of mind of being less volatile and risky.

Mid-cap stocks simultaneously offer better wealth growth prospects than well-established companies that are already trading for high valuations. If you are looking for a solid long-term bet that could [generate significant wealth](#) for you, choosing high-quality, mid-cap stocks to buy and hold for the long haul could be ideal for your investment goals.

Today, I will discuss two such mid-cap stocks that you should have on your radar today.

Dye & Durham

Dye & Durham ([TSX:DND](#)) is a \$2.45 billion market capitalization mid-cap stock that could be a good stock to buy this month. DND stock has performed very well on the stock market for the most part during the pandemic. The stock climbed by 140% within a few weeks between mid-November and the end of December in 2020. A solid demand backed its growth for its products and services combined with a large customer base and strategic acquisition strategy.

I expect the demand for its products and services to remain high in the coming months, as economic activities continue to improve. The stock took a hit in its performance on the **TSX** during the September 2021 selloff. Unlike most other TSX stocks, Dye & Durham stock has yet to show any recovery during the bull run for the broader market.

The stock is trading for \$35.99 per share at writing, down by 25% year to date. While the stock underperforming the market might cause worries, it could be an ideal mid-cap stock to purchase, so you can capitalize on long-term gains.

AltaGas

AltaGas ([TSX:ALA](#)) is a \$7.30 billion market capitalization mid-cap stock that you could consider adding to your portfolio this month. Utility companies traditionally tend to be boring stocks that do not offer much in terms of short-term capital gains. However, AltaGas has broken from that trend to outperform the broader market over the last year. The company has also hiked its shareholder dividends, making it a more attractive investment to consider.

The stock is trading for \$26.07 per share at writing, and it is up by 39% year to date. AltaGas stock is paying its shareholders their dividends at a juicy 3.83% dividend yield. The upward trend for AltaGas stock is likely to continue in the coming years on the back of its high-quality utility business combining with its midstream operations to drive its revenue growth and earnings.

Foolish takeaway

Due to the relative stability mid-cap stocks provide over [small-cap growth stocks](#) and the tendency to outperform their larger peers over time, these companies make for more attractive long-term bets for investors seeking significant wealth growth. However, it is necessary to determine how to pick high-quality mid-cap stocks that can deliver on that potential.

AltaGas stock and Dye & Durham stock are two high-quality mid-cap stocks that you can consider adding to your portfolio for this purpose.

CATEGORY

1. Dividend Stocks
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2. TSX:DND (Dye & Durham Limited)

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Date

2025/08/20

Date Created

2021/10/18

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