



## 2 Top Canadian Stocks I'd Buy Before the End of the Year

### Description

I wouldn't let the market's high price stop you from investing today. The **S&P/TSX Composite Index** is riding an incredible bull run but there are plenty of [top Canadian stocks](#) trading at reasonable prices right now.

The Canadian market is up 20% year to date and more than 75% since late March 2020. Over the past five years, the U.S.-based **S&P 500 Index** has largely outperformed the returns of the Canadian market. But since the COVID-19 market crash, the two countries have put up similar growth.

If you're planning on holding a stock for the next decade, today's prices shouldn't concern you. Investing in the right business is much more important than investing at the right price.

I've got my eye on two market-leading companies that I'm planning on buying before the end of the year. I'm a shareholder of one already, but now that it's [trading at a discount](#), I'll be looking to add to my position.

### Canadian stock #1: Brookfield Renewable Partners

Renewable energy is one area of the market that I'd urge any long-term investor to have exposure to. The sector has been growing steadily for several years now and I think we're still very early in the growth stages.

It was an exceptionally strong year for green energy stocks in 2020, but it's been a different story this year. Many leaders in the sector are trading at a loss in 2021 and well below all-time highs.

I started a position in **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) earlier this year and am already looking to add to it.

Similar to its peers, the Canadian stock is having a rough year so far, especially while the broader market is soaring. Shares are down more than 15% year to date and 25% from all-time highs set in early 2021.

If you're planning on owning only one renewable energy stock, Brookfield Renewable Partners would be my choice. The \$13 billion company has a global presence and provides its customers with a range of different renewable energy solutions.

Even with the current discount, the Canadian stock is up more than 100% over the past five years. That's good enough for more than doubling the returns of the broader market.

It may be a lot to ask for a repeat performance, but I believe the growth of the entire renewable energy sector will lead Brookfield Renewable Partners to once again top 100% growth in the coming five years.

## Canadian stock #2: Toronto-Dominion Bank

There are several very good reasons to have a Canadian bank in your portfolio. Stability, market-beating growth, and passive income are three solid reasons why you'd want to have **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) on your watch list.

In addition to the Canadian stock's 3.5% [dividend](#) yield and impressive market-beating growth track record, there are two other reasons I'm planning on adding TD Bank to my portfolio before the end of the year.

The first is the low-interest-rate environment. Even with record-low interest rates, the Big Five are all trading near-all-time highs. As interest rates rise, so will profits, which I'm betting will lead to continued market-beating growth.

Finally, TD Bank, along with its peers, is trading at bargain prices. Even though the bank stock is outperforming the market's 20% gain this year, shares are still only valued at a forward price-to-earnings ratio of barely over 10.

TD Bank likely won't be the fastest-growing stock in your portfolio and there's nothing wrong with that. As I've listed here, there are a lot more reasons than just growth to be invested in this \$160 billion bank.

### CATEGORY

1. Bank Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:TD (The Toronto-Dominion Bank)

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