2 TSX Stocks That Could Surge in 2022

Description

History is a great teacher, because the past informs us about how we should handle certain decisions in the future. The recent past has been a roller coaster for Canadian investors, as the pandemic caused many **TSX** stocks to decline. As global vaccination rates increase, the world is increasingly hopeful about a post-pandemic reality.

As we inch closer to 2022, the hope of being past the final wave of COVID-19 infections has made it possible for Canadian investors seeking growth stocks to become more confident about making bets on a post-pandemic recovery.

Today, I will discuss two TSX stocks that could surge in 2022, provided that another wave of infections does not materialize to create more short-term challenges.

Restaurant Brands International

Restaurant Brands International (TSX:QSR)(NYSE:QSR) is a $34.24 billion market capitalization giant in the fast-food industry with several well-known names under its belt. Owning and operating the likes of Burger King, Tim Hortons, and Popeyes Louisiana Kitchen, Restaurant Brands International could be an excellent stock to buy for a post-pandemic recovery play.

It is no secret that there is still plenty of pent-up demand among people to finally visit their favourite restaurants once it is finally safe to do so. The company has managed to make the most of the situation amid the pandemic-induced difficulties with its focus on digital and delivery sales. A surge in foot traffic could send its revenues soaring, as restaurants reopen with full capacity after the pandemic.

The stock is trading for $72.88 per share at writing, down by almost 5% year to date.

Magna International

Magna International (TSX:MG)(NYSE:MGA) is a $30 billion market capitalization company in the automotive industry that is performing well on the stock market thanks to the surge in demand for electric vehicles (EVs). Magna International is a prominent car manufacturer that has also established partnerships with several major EV manufacturers to produce parts.

Between its own production line producing millions of vehicles and its partnerships with EV automotive makers, the company expects to deliver stellar shareholder returns in the coming years. Analysts expect the global EV market to grow by a compounded annual rate of almost 20% between 2021 and 2028, and Magna International stock is well positioned to capitalize on the trend.

The stock is trading for $99.77 per share at writing, up by 12.04% year to date, and it has plenty of room to grow.

Foolish takeaway

Despite all the lessons we have learned from the past performance of stock markets, it is still impossible to time the broader market to invest in the right stocks at the right time. The only thing investors can do is make well-informed decisions based on what they have learned in the past and how the situation in the stock market is developing.

If the world finally moves past the pandemic, several equity securities on the TSX can surge on the stock market. Restaurant Brands International stock and Magna International stock are two of the TSX stocks most likely to deliver stellar shareholder returns.

While there is a degree of risk involved with any investments, these two stocks could be worth keeping a close eye on in the coming months if you have not already added them to your portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:MGA (Magna International Inc.)
2. NYSE:QSR (Restaurant Brands International Inc.)
3. TSX:MG (Magna International Inc.)
4. TSX:QSR (Restaurant Brands International Inc.)

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