Earn Big on the TSX With Just $4.55

Description

Investors with limited budgets have equal chances as moneyed individuals in earning a considerable windfall on the stock market. Look at the percentage or rate of return instead of the absolute amounts. For example, you won't spend more than $4.55 per share to own a royalty and energy stock. Both are cheap stocks on the **TSX** with year-to-date gains of between 26% and 92%.

Financial experts advise people not to let their money lie idle. Investing even a tiny amount can help in the long run. Remember, sacrificing immediate possession of money today will result in a greater amount in the future. You also avoid borrowing to spend for consumption needs if you have extra cash from stock investing.

Super-high dividends

Diversified Royalty (TSX:DIV) owns the trademarks to well-managed and ongoing business concerns. This $339.86 multi-royalty corporation collect royalty streams from six companies in the royalty pool. The royalty partners belong to different industries whose corporate existence is between 19 and 60 years.

Quick lube provider Mr. Lube in the routine automotive maintenance sector and real estate services provider Sutton are the longstanding partners (since 2015). Customer loyalty program provider Air Miles, Mr. Miles in casual dining, and innovative home care provider Nurse Next Door is also in the royalty pool. The newest is Oxford Learning (2020) in the supplemental education space.

The royalty streams are stabilizing in 2021. In the nine months ended September 30, 2021, Diversified reported a net income of $15.28 million versus the $9.73 million net loss in the same period in 2020. The year-over-year growth in royalty revenue and management fees was 23%. Cash from operating activities also increased by $3.1 million compared to the previous year.

This royalty stock is an excellent dividend play. For only $2.80 per share (+26.23% year-to-date), you can partake of the super-high 7.91% dividend. A $560 investment or 200 shares will produce $44.30 in extra income.

Normalizing drilling activities

Ensign Energy Services (TSX:ESI) trades at only $1.75 per share, yet the energy stock's year-to-date gain is 92.3%. Had you invested $1,000 on year-end 2020, your money would be worth $1,923 today or nearly double the original capital. If you already own the stock, market analysts recommend a hold rating. They forecast further price appreciation of 42.3% to 71.4% in 12 months.

The $283.77 million company provides oilfield services to the crude oil and natural gas industries. Apart from Canada, Ensign caters to customers in the United States and other foreign countries. Ensign engages in specialized drilling services. Its allied services include the rental of loaders, tanks, pumps, and other drilling-related equipment.

Like many in the energy sector, Ensign is on the comeback trail this year. In Q3 2021, management reported a 71% increase in revenue versus Q3 2020. As a result, net loss was reduced by 5% year-over-year. Notably, funds flow from operations increased by 89% to $56.2 million.

Ensign expects oilfield services activity to improve moderately heading into 2022 because oil and natural gas producers continue to conserve capital expenditures. Also, most of them are directing cash toward enhancing shareholder returns.

Big earnings in 2022

The TSX remains in record territory in the last week of November 2021. Fortunately, many stocks like Diversified Royalty and Ensign Energy trade at affordable prices. Choose either one or both right now to earn big in 2022.

CATEGORY

1. Dividend Stocks
2. Investing

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1. TSX:DIV (Diversified Royalty Corp.)
2. TSX:ESI (Ensign Energy Services Inc.)

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