Top TSX Stocks to Buy: Enbridge, Shopify, and More

Description

The Canadian stock market remains volatile, as the COVID-19 pandemic continues to play spoilsport and adds uncertainty over corporate earnings growth. Despite the heightened volatility, companies with solid fundamentals could continue to perform well and navigate the current crisis with ease.

So, if you plan to invest in the stock market, here are my top picks that should be on your radar.

Enbridge

Enbridge (TSX:ENB)(NYSE:ENB) is one of the most reliable investments for investors with a long-term mindset. Its diversified revenues and highly predictable utility-like cash flow position it well to consistently deliver strong shareholders' returns. Further, its robust secured capital program will likely drive strong growth in the coming years.

Looking ahead, Enbridge plans to optimize its asset returns through revenue inflators and productivity enhancements. Moreover, strategic acquisitions will boost its growth rate. Enbridge remains on track to bolster its shareholders' returns through share repurchases and dividend payments. Further, it expects to generate $5-6 billion annually in the investable capacity to support long-term growth and drive cash flows. It has grown dividends for 27 consecutive years and is yielding over 7%.

Shopify

Shopify (TSX:SHOP)(NYSE:SHOP) has created a massive amount of wealth for its shareholders, and I remain confident that it could continue to make its investors rich. The ongoing shift in selling models towards omnichannel platforms, its growing market share, and new product launches augur well for growth.

I believe the increased penetration of its payments solutions, continued merchant acquisitions, strengthening of fulfillment network, geographic expansion, and addition of high-growth marketing and selling channels could continue to accelerate its growth. Further, its solid balance sheet and operating leverage will likely support its financials and, in turn, its stock price.

Payfare

Besides Enbridge and Shopify, I am also bullish on **Payfare** (TSX:PAY), a leading financial technology company that provides digital banking and payout solutions to gig workers. Payfare's active user base is growing rapidly. At the same time, higher demand for services like rideshare and food delivery indicates that Payfare's user base could continue to expand in the coming years.

Besides solid user growth, its lower customer acquisition cost, partnerships with top gig platforms, plans to expand in new verticals, streamlining of vendor contracts, and focus on productivity savings augur well for future growth.

goeasy

This list would not be complete without **goeasy** (TSX:GSY). Shares of this subprime lender have consistently outperformed the TSX60 Index and created a significant amount of wealth for its investors. Its financials are growing fast, indicating that it could continue to deliver stellar returns for its shareholders in the coming years.

goeasy's sales are projected to mark double-digit growth over the next three years. Higher loan volumes and ticket size, strategic acquisitions, geographic expansions, and new product launches will drive its top line. Meanwhile, strong payment volumes and operating leverage could drive its earnings at a high double-digit rate. It's worth noting that goeasy's high-quality earnings support higher dividend payments. It has consistently hiked its dividends in the past seven years and could continue to increase it further in the coming years.

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2. NYSE:SHOP (Shopify Inc.)
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4. TSX:GSY (goeasy Ltd.)
5. TSX:PAY (Payfare Inc.)
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