The 3 Best TSX Large-Cap Stocks to Buy Now

Description

It will be a smart move to allocate a portion of your portfolio to large-cap stocks amid the heightened volatility in the stock market. I believe the fundamentally strong, large companies will likely add stability and generate solid returns over time.

Let's delve into three such large-cap stocks that could continue to outperform the benchmark index over the next decade.

Royal Bank of Canada

With the ongoing economic expansion and improving operating environment, **Royal Bank of Canada** (TSX:RY)(NYSE:RY) will likely deliver strong earnings, which, in turn, will give a significant boost to its stock price. Its large scale, diversified business model, and strong balance sheet position Royal Bank of Canada well to capitalize on improving macro environment and deliver industry-leading volume growth.

Furthermore, its strong suite of products, cross-selling opportunities, and operational efficiency augur well for future growth. I expect improving volumes, its strong credit quality, and expense management will drive its earnings at a decent pace.

Thanks to its high-quality earnings, Royal Bank of Canada has consistently boosted its shareholders' returns through higher dividend payments. Its dividends have a CAGR of 8% over the last decade. Moreover, it offers a solid yield of 3.6%.

Shopify

Despite the recent selling, **Shopify** (TSX:SHOP)(NYSE:SHOP) stock is still up over 25% this year.This tech giant has consistently delivered stellar returns and outpaced the benchmark index. Lookingahead, I am upbeat over its prospects and expect Shopify to deliver solid returns regardless of thereopening of the physical retail locations.

My bullish view stems from the ongoing shift in selling models towards omnichannel platforms. With its strong product base and continued investment in growth initiatives, Shopify is well-positioned to expand its market share and capitalize on the strong demand.

Shopify's strengthening of its fulfillment network, increased penetration of its payments solutions, high-value product launches, the addition of multiple marketing and sales channels, and geographic expansion could continue to acquire newer merchants on its platform and deliver strong growth. Furthermore, its strong balance sheet and operating leverage bode well for future growth.

Fortis

Fortis (TSX:FTS)(NYSE:FTS) is one of the safest bets amid heightened volatility in the stock market. Its diversified and regulated business makes it immune to the wild market swings. Meanwhile, its predictable cash flows support dividend growth.

It's worth noting that Fortis owns 10 regulated utility businesses that deliver solid cash flows. Meanwhile, consistent rate base growth drives its profitability. Fortis projects its rate base to reach $41.6 billion by 2026, which will increase its high-quality earnings base. Meanwhile, acquisitions and its growing renewable footprint will likely accelerate its growth.

Notably, this utility company has a long history of consistently raising its dividend. To be precise, Fortis has raised it in the last 48 years in a row. Thanks to the strong visibility over its cash flows and solid earnings base, Fortis projects 6% average annual dividend growth through 2025. Overall, its low-risk business, solid cash flows, and consistent dividend hikes make it a top long-term bet.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. NYSE:RY (Royal Bank of Canada)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:FTS (Fortis Inc.)
5. TSX:RY (Royal Bank of Canada)
6. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. kduncombe
2. snahata

Category

1. Investing

Date
2025/08/27
Date Created
2021/12/23
Author
snahata