



RRSP Investors: 2 Top TSX Stocks to Buy on a Market Pullback

Description

Rising bond yields are starting to make equity investors nervous. A [pullback](#) from the record highs has been expected, and this might be the trigger. Investors who missed the big rally last year are now getting a chance to buy some top TSX stocks for their [RRSP](#) portfolios at attractive prices.

Brookfield Asset Management

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is an alternative asset manager that focuses on global investment opportunities in [sectors](#) such as real estate, renewable energy, and infrastructure. The company invests its own money as well as funds from institutional clients. Brookfield Asset Management charges a fee for the service.

In the Q3 2021 report, the company said fee-bearing capital hit US\$341 billion, up about US\$52 billion over a 12-month period. This drove a 25% gain in fee-related earnings. At the end of Q3 Brookfield Asset Management still had US\$35 billion in committed but uninvested — capital that will earn US\$350 million annually once invested.

In total, Brookfield Asset Management had US\$80 billion in capital available to deploy as of September 30, 2021.

Management does a good job of finding strategic investment opportunities that can deliver strong long-term returns. Brookfield Asset Management is so large that it is among a handful of businesses that have the capacity to bid on some deals.

The company also has a knack for selling assets when the value gets to a point where it makes sense to lock in gains and deploy the funds to new opportunities.

Brookfield Asset Management is a good stock to buy for investors who want exposure to global assets across the renewable power, infrastructure, and real estate sectors.

The stock trades near \$70 on the TSX at the time of writing. That's down from the 12-month high

above \$78.

Algonquin Power

Algonquin Power ([TSX:AQN](#))([NYSE:AQN](#)) owns regulated electricity, natural gas, and water utilities as well as non-regulated hydroelectric, wind, thermal, and solar power-generation assets.

The company has a strong track record of delivering growth through strategic acquisitions and internal projects. Algonquin Power is in the process of buying Kentucky Power for US\$2.85 billion in a deal that will significantly increase the size of the business and shift the overall asset mix more to regulated operations. This should make revenue and cash flow more predictable.

On the development side, Algonquin Power has a US\$12.4 billion capital program in place over the next five years.

Annual adjusted net earnings growth is expected to be 7-9% through 2026. This should support steady dividend gains. Algonquin Power raised its dividend by 10% per year over the past decade. The current payout provides a 5% yield.

The stock trades near \$17.50 per share at the time of writing compared to a 12-month high above \$22.50. Some volatility is expected, until the Kentucky Power acquisition closes around the middle of this year, but the stock should move higher once the dust settles on the deal.

The bottom line on top TSX stocks to buy on a pullback

Brookfield Asset Management and Algonquin Power already appear attractive at current prices for buy-and-hold RRSP investors. Any additional weakness in the share prices should be viewed as a good opportunity to add the stocks to a retirement portfolio.

CATEGORY

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2. NYSE:BN (Brookfield Corporation)
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