



## Prep Your TFSA to Avoid Big Losses in 2022

### Description

The Tax-Free Savings Account (TFSA) is an excellent investment vehicle for Canadian investors with a wide range of financial goals. [TFSA investing](#) can come in handy for long-term savings to create a secondary retirement fund. You can use the tax-advantaged account to create a tax-free and passive income stream with the right investments.

2022 has started off on a shaky note. The world seems to be moving into a post-pandemic era as global COVID-19 cases begin to slow down. However, Russia's invasion of Ukraine on February 24, 2022, has made things problematic again. Coupled with interest rate hikes due to rising inflation, rising geopolitical tensions are injecting more instability in the stock market.

The uncertainty plaguing global markets will most likely seep into investment returns. Now might be the right time to take measures to offset some of the losses you might face this year. Businesses that boast strong operations and the potential to deliver consistent growth in the quarters ahead might make for solid investments.

If you have available contribution room in your TFSA, you could use assets like these to enjoy more of your investment returns due to the account's tax-advantaged status.

Today, I will discuss two TSX stocks that could [boost your TFSA balance](#) and help you mitigate some of the losses you might incur this year.

### Cargojet

**Cargojet Inc.** ([TSX:CJT](#)) is Canada's leading air cargo provider. The \$2.61 billion market capitalization company headquartered in Mississauga reported a net income of \$102 million in the December-ending quarter. This was a massive increase compared to its net income for the same quarter in fiscal 2020. The airline's total revenues for 2021 rose by 13.4% compared to the previous year.

While commercial flights declined amid the pandemic, business has been booming for air cargo providers like Cargojet Inc. The company now has a larger base of business to bolster its massive size

even further in a post-pandemic era. COVID-19 accelerated the demand for e-commerce, boosting revenues for Cargojet. The coming months and years could see much more improvement for the air freight provider, translating to more capital gains for its investors.

## Verde Agritech

**Verde Agritech PLC** ([TSX:NPK](#)) is a more affordable asset to consider for your TFSA. The \$407.32 million market capitalization company is headquartered in the UK, but listed on the TSX. Verde Agritech produces and sells fertilizers, and its business primarily serves the Brazilian market. While its fourth-quarter earnings report for fiscal 2021 is yet to be released, its Q3 earnings offer a clear picture of its impressive performance.

Compared to the same period the year before, the company's revenues increased by 142.3% to hit \$16.85 million during the first three quarters of fiscal 2021. The company's net profits rose by 121.6%, and its gross profits climbed by 185.1% in the same period. The company's management is committed to delivering exponential growth in the coming years, and it appears to be well-positioned to deliver on that promise.

## Foolish takeaway

Businesses that can thrive in the foreseeable future could be valuable additions to your TFSA portfolio. Today's challenging environment in global markets may result in some adversity for Cargojet stock and Verde Agritech stock. However, both companies are well-positioned to provide [outsized returns](#) through capital gains due to the strength of their operations and potential demand for their services.

If you have some contribution room available in your TFSA, it might be a good time to allocate some of the space to shares of these two TSX stocks.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. TSX:CJT (Cargojet Inc.)
2. TSX:NPK (Verde AgriTech)

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