



6 Top Canadian Stocks to Buy for Your TFSA Today

Description

Because the TFSA is such a unique and powerful tool that Canadian investors have at their disposal, it's crucial that the Canadian stocks you buy for it are the top companies on the **TSX**.

Not only do we want to take full advantage of the tax-free nature of the [TFSA](#), but we also don't want to lose any money, especially because the contribution room is ultimately limited.

So, if you're looking to buy stocks for your TFSA, but you're uncertain about the current highly volatile investing environment, here are some of the top Canadian stocks to buy now.

Tech stocks are some of the best investments for Canadians to buy now

There's no question that if you're a long-term investor with the patience to wait for stocks to appreciate, and you want to get the most bang for your buck today, there are several [tech stocks](#) to consider.

First off, even some of the largest and most well-known Canadian tech stocks to buy, like **Shopify**, offer incredible value. Shopify currently trades more than 63% off its all-time high and is at the cheapest valuation that it's been since the start of the pandemic.

Even **Lightspeed**, another massive and well-known tech stock, offers investors tonnes of value. The payment-processing company currently sits more than 77% off its high. However, some of the best deals to find will come from lesser-known tech stocks.

AcuityAds Holdings (TSX:AT)(NASDAQ:ATY) is one of the top Canadian stocks to buy that I've been recommending lately, considering how cheap it is. AcuityAds has an [enterprise value](#) (EV) of just \$140 million, giving it a forward EV/EBITDA ratio of just 6.7 times, which is extremely low for a tech stock.

It's worth noting that AcuityAds has struggled slightly to grow the sales of its new platform. It also could face stronger headwinds trying to find advertising dollars if the economy continues to cool off. Nevertheless, though, the stock now trades so cheaply that there's hardly any downside risk.

Another lesser-known stock trading at an attractive valuation is **Sangoma Technologies**. The communications equipment provider currently trades at an EV/EBITDA ratio of just 7.9 times. So, while it is slightly more expensive than AcuityAds, it's also in a somewhat better position. Furthermore, its growth has been impressive in recent years, giving it a tonne of long-term potential.

You don't just have to buy stocks that are out of favour, though. There are plenty of top Canadian stocks to buy that are performing well and are worth buying for your TFSA today.

Two more of the best investments to buy now

In addition to these undervalued, out-of-favour tech stocks, you'll also need to diversify your holdings. And two of the best stocks to buy now that continue to perform well and that you can rely on if the economy continues to cool off, are **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)) and **Dollarama** ([TSX:DOL](#)).

Both of these stocks are excellent growth stocks, but they're also highly defensive and extremely safe. So, it's no surprise that they've been performing well during the recent uncertainty.

Brookfield is one of the top Canadian stocks to buy for your portfolio, because it offers investors exposure to an incredibly high-quality portfolio of infrastructure assets that are diversified globally. In addition, Brookfield has proven to consistently create tonnes of new value for investors, which is why it's such an incredible growth stock.

And in the current environment, much of its revenue is tied to inflation, giving it even more potential to see its sales increase.

Dollarama is another top Canadian stock to buy for your TFSA today, because, like Brookfield, it's highly defensive, but over the long run, it's another incredible growth stock. Consumers have been trying to stretch their dollars for years. Naturally, retailers like Dollarama have seen incredible long-term growth in their business' operations.

And in the current environment, Dollarama continues to have the potential to see the demand for its products rise, as consumers look to offset the impacts of sky-high inflation.

So, if you're looking for the top Canadian stocks to buy for your TFSA today in addition to cheap, underperforming tech stocks, you also might want to consider highly defensive investments, such as Brookfield and Dollarama.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. OTC:ILLM.F (Illumin)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:DOL (Dollarama Inc.)
5. TSX:ILLM (AcuityAds)

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