



2 TSX Stocks to Buy Amid a New Global Tension

Description

The **TSX** declined double digits to start the shortened week following the relief rally last week. Oil trading was choppy due to the global tensions created by the visit of U.S. House Speaker Nancy Pelosi to Taiwan. Another reason for the shaky movement of crude prices is the mid-week meeting of the Organization of the Petroleum Exporting Countries (OPEC) plus members.

OPEC+ is expected to decide on whether to increase production or not next month. Edward Moya, a senior market analyst at Oanda, said, "Crude prices rallied from lows on expectations OPEC+ will refrain from delivering an output increase." He also mentioned a potential retaliation by China on the first trip of a high-level U.S. official to Taiwan since 1997.

Canada's primary stock market declined by nearly 1% on August 2, 2022, while the [energy sector](#) plunged almost 2%. Only healthcare, technology, and utilities advanced for the day. The materials sector, where metals and mining stocks belong, had the most percentage decline (-2.31%).

Top oil stock

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) declined 3.35%, although it shouldn't trigger alarm bells. While the share price went down to \$65.98, investors still enjoy a 15.06% year-to-date gain in addition to the generous 5.27% dividend. The \$64.92 billion energy infrastructure company is a major player in North America's oil and gas midstream industry.

About 25% of the region's natural gas requirements pass through TC Energy's pipeline network (93,300 kilometres). Its president and chief executive officer (CEO) François Poirier said, "Through the first six months of 2022, we have delivered strong results reflecting the high utilization we continue to see across our entire system."

Poirier added that demand for clean, responsibly sourced natural gas remains high in North America. He also believes that energy security is driving incremental growth in the global liquids natural gas (LNG) market. In the first half of 2022, net income reached \$1.24 billion compared to the \$82 million net loss in the same period in 2021.

The highlight in Q2 2022 was the high utilization rates across TC's asset base. For income investors, this oil stock is for keeps. It has a dividend-growth streak of 21 years, which is unlikely to be broken.

Top gold stock

Yamana Gold ([TSX:YRI](#))([NYSE:AUY](#)) is the safety net in the mining sector. At \$6.16 per share, the gold stock outperforms the broader market year to date at +17.14% versus -8.09%. If you invest today, the dividend offer is a decent 2.51%. Besides Canada, the \$5.92 billion precious metals producer also has development-stage properties, exploration properties, and land positions Argentina, Brazil, and Chile.

In Q2 2022, management reported standout production results and strong cash flows from operating activities (\$187.8 million). Its net free cash flow (FCF) reached \$136.6 million. Yamana uses a balanced to capital allocation to generate cash balances. It expects cash flow to be strongest in the latter part of 2022.

Performance-wise, the gold stock's total return in 3.01 years is a respectable 55.26% (15.76% CAGR). A definitive agreement arrangement between Yamana and Gold Fields is in place. The latter will acquire all shares of the former.

Volatile market

The outcome of the OPEC+ meeting is crucial, as it will dictate the direction of oil prices. Meanwhile, investors expect market volatility to remain high, as the tension between the U.S. and China intensifies.

CATEGORY

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3. TSX:TRP (TC Energy Corporation)
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