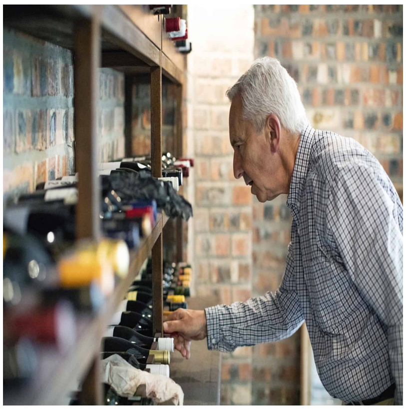

Now's the Time to Load up on Your TFSA With These 3 Enticing Stocks

Description

Do you still have contribution room left in your TFSA? It may be this year's or carried forward from the former years. But if you have the contribution room and some capital, you may consider investing in good companies whose stocks are still discounted.

You may achieve decent gains from the current recovery that's underway if you buy any of the discounted stocks in this recovering market. But there are three stocks worth considering keeping in your TFSA long term, well beyond the current recovery phase is over.

A financial stock

CI Financial (TSX:CIX) is a global asset/wealth management company with a decent international presence though its business is concentrated in North America. It has five business divisions under its banner, including private wealth and direct investing. The company has $334 billion worth of assets under management (AUM), and its financials are pretty stable.

From an investment perspective, CI Financial is an excellent pick for two reasons – dividends and recovery potential. It's trading at a 46% discount from its 2021 peak, pushing the yield to an attractive level of 4.4%. And the same discount augments its recovery-fueled growth potential.

At its current value, the stock can double your capital by going just a little beyond its former peak. You may not have to wait long for this undervalued stock to reach its intrinsic value.

A fuel cell company

There are various ways to invest in the future of green energy and transport, and the fuel cell is one of them. By investing in a company like **Ballard Power Systems** (TSX:BLDP)(NASDAQ:BLDP), one of the most prominent hydrogen fuel cell companies in the world, you get exposure to a wide array of green technologies. N

That’s because these cells are used to power small and large vehicles and offer backup or primary power solutions to various industries.

The timeline is the only problem with investing in technology like Ballard’s fuel cells. Hydrogen supply chains are still nascent and are even farther behind than EVs in market penetration. But its scope is much broader.

Ballard was one of the stocks that experienced robust post-pandemic growth and a brutal correction. It’s still down 77% from its 2021 peak and 34% from its pre-pandemic peak, but it has started to recover. At this discounted price, it may be a compelling long-term hold.

A learning technology company

Learning Management Suites (LMS) gained popularity during the pandemic as the world saw its potential firsthand. **Docebo** (TSX:DCBO)(NASDAQ:DCBO), an AI-powered learning suite that caters to businesses (not individual consumers), managed to ride this popularity wave. Its stock rose over 700% between Oct 2019 and Sep 2021.

The post-pandemic growth was too rapid, and the stock, along with the rest of the tech sector is going through a more volatile phase, but has entered into a correction mode. Although the stock is still 57% down from its 2021 peak.

Now that the tech sector and TSX (as a whole) are recovering, Docebo stock is also going up. It has already risen 44% since mid-June. The stock is worth holding for both its current recovery potential and long-term growth potential.

Foolish takeaway

For novice investors who have yet to fully understand what a TFSA is and why it might be the right registered account for these discounted stocks, it’s essential to learn the subtle differences between the TFSA and RRSP.

Since it has a smaller contribution room, a TFSA portfolio may require an additional push from more powerful growth stocks to match or grow closer to your RRSP nest egg goal, assuming you utilize the full contribution room of both accounts.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSX:CIX (CI Financial)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

PP NOTIFY USER

1. adamothman
2. cleona

Category

1. Dividend Stocks
2. Investing
3. Tech Stocks

Date
2025/09/01
Date Created
2022/08/18
Author
adamothman