TFSA Investors: 2 TSX Stocks with Unbelievable Staying Power

Description

Stocks in Canada have seen a spike in volatility in the last few months. The **TSX Composite Index** fell by 13.8% in the second quarter as fears about a looming recession kept investors on their toes — making them flee riskier assets. Nonetheless, long-term TFSA (tax-free savings account) investors should remain focused on buying more fundamentally strong stocks for the long term instead of worrying about short-term market volatility. Doing so would help them earn higher tax-free returns on their investments in the long run. In this article, I'll highlight two of the top TSX stocks TFSA investors can consider buying right now with a well-proven track record of returning great value to their investors in the long term.

Dollarama stock

Speaking of TSX stocks with unbelievable staying power, **Dollarama Inc.** (TSX:DOL) could be an attractive option to consider for TFSA investors. This Mont-Royal-headquartered discount store operator currently has a market cap of $23.4 billion. Despite the TSX Composite benchmark's more than 6% downside correction in 2022 so far, Dollarama stock trades with strong 27.2% year-to-date gains at $80.48 per share. The great staying power of this stock could be understood by the fact that it delivered solid double-digit returns in 9 of the last 10 years.

In the April quarter, the company saw a 12.4% YoY (year-over-year) increase in its total revenue to $1.1 billion. It reported a double-digit rise in customer traffic during the quarter amid lifting COVID-19 restrictions across Canada. This factor also helped Dollarama post a solid 32.4% YoY jump in its quarterly earnings per share to $0.49 on a net earnings increase of 28% to $145.5 million. The demand for the company's affordable and essential products largely remains unaffected by an economic downturn — making it one of the safest TSX stocks to own for TFSA investors.

Canadian Natural stock

Canadian Natural Resources (TSX:CNQ)(NYSE:CNQ) is another reliable TSX stock to consider buying that could keep increasing TFSA investors' hard-earned savings each year by yielding handsome returns. CNQ stock has a market cap of $83.2 billion after rising by 44.6% year to date to $74.16 per share with the help of strong demand and prices for energy products.

In the second quarter of 2022, Canadian Natural's total revenue rose by 76% YoY to $11.5 billion — exceeding analysts' estimates. Despite slightly lower production volumes during the quarter, the company posted a strong 229% YoY jump in its adjusted earnings for the quarter to $3.26 per share as crude oil prices continued to strengthen. While oil prices have corrected lately, they are still not far away from their multi-year highs. Given that, the positive growth trend in Canadian Natural's revenue and earnings is likely to continue in the coming quarters as well and drive the soaring stock.

This Calgary-based energy giant is well-known for rewarding its investors with attractive dividends each year, even in difficult market conditions, with the help of its robust balance sheet and largely predictable cash flows. At the current market price, CNQ stock has a strong annual dividend yield of around 4%, which should be enough to ensure that your TFSA cash continues growing.

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2. TSX:CNQ (Canadian Natural Resources Limited)
3. TSX:DOL (Dollarama Inc.)

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jparashar