



Got \$1,000? 2 Simple TSX Stocks to Buy Right Now

Description

If you have cash to invest today, whether it's \$100, \$1,000, or even more, now is an excellent opportunity to do so. There are plenty of high-quality TSX stocks to buy right now, especially if you're looking to take advantage of all the bargains in the markets.

It's no secret that there are plenty of opportunities today, whether you're looking for stocks that are out of favour and trading well [undervalued](#), or ones that are experiencing tailwinds in this environment.

It's paramount, though, that whatever stocks you choose to buy, they have business operations that you can understand.

One of [Warren Buffett's](#) most famous quotes says, "Never invest in a business you cannot understand." In addition, he has another famous quote that says, "Risk comes from not knowing what you are doing."

Therefore, if you're looking to invest your hard-earned money, it's crucial that you buy stocks for which you can quickly articulate how they make money and what the key factors to watch in the business are.

With that in mind, if you've got cash to invest today, here are two high-quality and simple TSX stocks to buy right now.

One of the best energy stocks to consider while it's still cheap

There's no question that energy stocks are some of the best stocks to buy in this environment, and one of the best and simplest TSX energy stocks to buy now is **Freehold Royalties** ([TSX:FRU](#)).

Freehold has a straightforward business model, where it owns the land on which other energy companies produce oil and gas. Therefore, as long as the demand for energy remains high, which it certainly is today, then Freehold can expect a tonne of production on its land.

In addition, the higher the price of energy, the higher its royalty payments become. In this environment,

it's not surprising to see Freehold earnings tonnes of cash flow.

That's attractive, because Freehold typically pays back the majority of its earnings to investors. In fact, the stock has a target payout ratio of 60-80% of free cash flow. The rest of the capital, it saves and looks to reinvest more growth. And lately, that's consisted of several investments in land south of the border, which helps to diversify Freehold's operations.

Therefore, with the stock paying out roughly half its free cash flow today and offering a dividend [yield](#) of 7.3% today, it's one of the best TSX stocks to buy now.

Furthermore, its business operations are extremely straightforward, making it a stock that many Canadians can buy and hold for the long haul.

While the energy industry continues to see these tailwinds and Freehold trades off its highs, it's certainly one of the best TSX stocks to buy now.

One of the top TSX stocks to buy and hold for years

Many real estate stocks are simple and reliable businesses — particularly those that own residential properties, such as **Canadian Apartment Properties REIT** ([TSX:CAR.UN](#)), or CAPREIT.

And since residential real estate investment trusts (REITs) have been impacted so significantly in the selloff already this year, these are some of the best TSX stocks to buy now.

CAPREIT, for example, is an ideal investment. Because it's so large, and its operations are so diversified, it mitigates much of the risk. Furthermore, the stock has sold off by 30% now, creating an excellent opportunity for investors to buy and hold for the long haul.

While CAPREIT is predominantly a safe long-term investment, it's also one that can grow rapidly. In fact, in the five years from 2016 through to the end of 2021, CAPREIT's revenue increased by over 56%. Furthermore, through that stretch, its funds from operations increased by over 75%.

So, if you're looking for some of the best TSX stocks to buy now, CAPREIT trades at an attractive discount and is one of the simplest businesses that you can buy.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
2. TSX:FRU (Freehold Royalties Ltd.)

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