Got $2,000? Here Are 3 Smart TSX Stocks to Buy Now

Description

The economy is in a tough spot and most Canadians are struggling to meet rising expenses. In this environment, anyone with spare cash is in a favourable position. Investors with some cash — say, $2,000 — can deploy it to snap up stocks and assets that are on discount.

Here are the top three stocks to buy right now if you have $2,000 to spare.

Enbridge

The energy crisis is the defining story of 2022. Supply was already woefully behind rising demand at the start of the year, but Russia's invasion of Ukraine amplified these issues. Now, the flow of natural gas and crude oil across North America is expected to surge as we export more energy to Europe.

Enbridge (TSX:ENB)(NYSE:ENB) is a top beneficiary of this trend. The company manages North America's largest network of oil and gas pipelines. These pipelines are now being extended to new terminals where natural gas is liquified for export to Europe.

Meanwhile, North America's economy is outperforming the rest of the world. Inflation is up and consumer demand is down, but things aren't as bad as in Europe or the Middle East. That means Enbridge should see robust demand and a steady flow of energy across its network this year.

The stock trades at 21 times earnings and offers a 6.7% dividend yield. $2,000 invested in this stock could deliver $134 in passive income. That income should rise steadily, as Enbridge expects dividend growth of 5-6% for the next few years.

RioCan

Real estate is a tricky sector to invest in right now. Canada's residential real estate is overinflated, and rising mortgage rates are likely to crash it. I believe a 20-30% decline in house prices is certainly healthy for Canada's future.

However, commercial real estate investment trusts (REITs) like **RioCan** (TSX:REI.UN) are in a different position. The stock is down 20% along with the rest of the property sector this year. However, the company's occupancy rate is up. Rents are up, too.

Roughly 19% of the company's portfolio is dominated by big brands in groceries, pharmaceuticals, and liquor. These are recession-resistant tenants, which means RioCan's cash flows are more secure than they appear.

The units are trading at a 44% discount to net asset value and the stock offers a 5.6% dividend yield. If you have $2,000 to spare, this is an excellent stock to buy now.

Dollarama

Discount retailer **Dollarama** (TSX:DOL) is another winner this year. Households have turned to discount retailers this year to mitigate the impact of inflation. That has led to a 12.4% surge in revenue and a 24.4% surge in operating income for Dollarama in its most recent quarter.

Dollarama's growth is expected to continue as the economic strain persists. Meanwhile, the stock is up 23.7% year to date, outperforming the rest of the market. It still trades at a price-to-earnings ratio of 31, which I believe is justified.

If you have $2,000 in cash and are looking for a safe haven, Dollarama could be the perfect stock to buy now.

CATEGORY

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2. TSX:DOL (Dollarama Inc.)
3. TSX:ENB (Enbridge Inc.)
4. TSX:REI.UN (RioCan Real Estate Investment Trust)

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