



## Top TSX Stocks to Buy With \$5,000 in October 2022

### Description

This month has been challenging, even for experienced investors, as equity markets are on a roller-coaster ride. The rising interest rates and high inflation have raised fears of recession, thus making investors nervous. Despite the [volatile environment](#), here are three top TSX stocks that investors can buy right now to earn superior returns.

### Waste Connections

**Waste Connections** ([TSX:WCN](#)) is a waste management company delivering positive total shareholder returns for the previous 18 years. Even in this volatile environment, the company trades 3.3% higher for this year, outperforming the broader equity markets.

Supported by its solid underlying business and strategic acquisitions, Waste Connections has posted a solid performance in the first two quarters of this year. Its top line and adjusted EBITDA (earnings before interest, tax, depreciation, and amortization) have increased by 18.2% and 16.4%, respectively. Meanwhile, I expect the uptrend to continue. After completing acquisitions that can boost its annual revenue by US\$470 million, the company is working on other deals, which could raise its annual revenue by US\$225 million. Also, the growth in E&P (exploration and production) activities amid growing oil demand and prices could support its growth.

The company has boosted shareholders' returns by raising its dividend at an impressive annualized rate of 15% since 2010. Meanwhile, its forward yield stands at 0.5%. So, given its solid underlying business, growth prospects, and dividend growth, I believe adding Waste Connections to your portfolio would be an excellent move.

### Suncor Energy

Despite recession fears, West Texas Intermediate oil trades at around US\$87/barrel. The recent announcement by OPEC+ (Organization of Petroleum Exporting Countries and other member countries) to cut oil production by two million barrels/day and the continued sanctions on Russia have

driven oil prices higher. Meanwhile, I expect oil prices to remain elevated in the near to medium term. So, I have selected **Suncor Energy** ([TSX:SU](#)) as my second pick.

The company's management expects its upstream production to grow by 5% this year. The ramping up of its production at Syncrude and Fort Hills facilities and the completion of the maintenance activities at its Oil Sands operations could drive its output. The refinery utilization could also grow amid the completion of turnaround activities. Along with these initiatives, the decline in debt levels could drive the company's financials in the coming quarters.

Despite its healthy growth prospects and solid financials, Suncor Energy trades at an attractive NTM (next 12-month) [price-to-earnings](#) multiple of 4.9. It also pays a quarterly dividend, with its forward yield currently at 4.2%. So, considering all these factors, I am bullish on Suncor Energy.

## Telus

I have selected **Telus** ([TSX:T](#)), one of the three top telecom players in Canada, as my final pick. The demand for telecommunication services is rising due to digitization and growth in remote working and learning. Amid the expansion of the addressable market, Telus is strengthening its 5G and broadband infrastructure through its accelerated capital-expenditure program, which is in its final year.

Supported by these investments, the company has provided its PureFibre network to around 2.8 million customers. It hopes to offer 5G service to approximately 78% of Canadians by this year's end. Further, the company recently closed the acquisition of LifeWorks for \$2.3 billion. The acquisition could boost its TELUS Health business. Additionally, the company's international expansion and a healthy momentum in its Agriculture & Consumer Goods vertical could continue to drive its financials in the coming quarters.

Telus has rewarded its shareholders by paying \$16.6 billion in [dividends](#) over the last 18 years. Also, its forward dividend yield currently stands at a healthy 4.9%. So, I believe Telus could be an excellent buy, despite the volatile environment.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. NYSE:WCN (Waste Connections)
3. TSX:SU (Suncor Energy Inc.)
4. TSX:T (TELUS)
5. TSX:WCN (Waste Connections)

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