3 TSX Stocks Bucking Business Trends

Description

Earnings season is kicking off as the economy continues to face significant headwinds. They include rapidly rising interest rates, surging inflation, ongoing supply chain issues, and heightened geopolitical tensions. As companies struggle in today's environment, many **TSX** stocks are expected to report poor earnings as they .

However, while most stocks are having trouble, not every stock is being negatively impacted. In fact, here are three top TSX stocks to buy now that are expected to report strong earnings growth this year.

A top healthcare tech stock showing impressive organic growth

WELL Health Technologies (TSX:WELL) was one of the biggest gainers through the pandemic. Since then, though, it has fallen out of favour and become ultra-cheap.

However, unlike many stocks that have been losing value this year, WELL's business isn't slowing down. In fact, it continues to report impressive organic growth from its companies. Additionally, it is consistently finding value accretive acquisitions to make.

Therefore, it shouldn't be surprising that analysts expect WELL to continue posting solid growth over the coming quarters. Especially since it's consistently been beating expectations.

For the full year 2022, analysts expect WELL to generate over $550 million in revenue, growth of 86% year over year. Additionally, they expect the stock to report earnings before interest, taxes, depreciation and amortization (EBITDA) of more than $100 million, or growth of more than 70% year over year.

WELL is trading at an enterprise value (EV)-to-EBITDA ratio of just 10 times and an EV-to-sales ratio of just 1.9 time. It's not only a stock to buy for its impressive growth potential but also one of the cheapest TSX stocks to buy now.

One of the top defensive growth stocks to buy on the TSX

Brookfield Infrastructure Partners (TSX:BIP.UN)(NYSE:BIP) is another high-quality stock that's been growing its earnings all year despite a tough economic environment.

Because Brookfield owns a portfolio of high-quality infrastructure assets diversified all over the world, the stock is highly defensive. This makes it an ideal investment for this economic environment because its operations are so reliable.

However, Brookfield is also run like a growth stock, with management constantly looking to recycle capital and find new, undervalued investments. Much of its revenue is indexed to inflation. Therefore, not only is it a stock that can protect your capital, it also has the potential to expand its earnings considerably.

Already this year, in the first and second quarters, Brookfield's revenue increased by 27% and 38.2% year over year, respectively. More importantly, though, its funds from operations (FFO) increased by 14.4% year over year in Q1 and more than 30% in Q2.

And going forward, analysts continue to expect its FFO to grow at an impressive pace. For the full year, they expect Brookfield will grow its FFO by 20% and another 15% next year.

So while many TSX stocks are struggling in this environment, Brookfield won't just protect your capital. BIP stock also offers a tonne of growth potential.

A top growth stock that's also highly defensive

Another high-quality growth stock with tonnes of defensive qualities is **Jamieson Wellness** (TSX:JWEL).

Jamieson operates in the healthcare space, selling vitamins, supplements and other health products. However, it doesn't just manufacture and market these products, it also owns one of the best-known brands in the space.

For years, Jamieson has been a high-quality growth stock, growing mostly organically but also showing it can make strong value accretive acquisitions.

The health supplement maker is a high-quality investment due to its defensive operations. Jamieson is also expected to report impressive growth this year and next.

Analysts currently expect that Jamieson's revenue and net income this year will come in 23.7% and 18.9% higher than last year, respectively. They also expect its EBITDA for 2022 will come in 22.7% higher than last year.

Jamieson is trading at a forward EV-to-EBITDA ratio of just 11 times, below its five-year average of 15.2 times. This makes it one of the top TSX stocks you can buy today.

CATEGORY

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2. Top TSX Stocks

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1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:JWEL (Jamieson Wellness Inc.)
3. TSX:WELL (WELL Health Technologies Corp.)

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