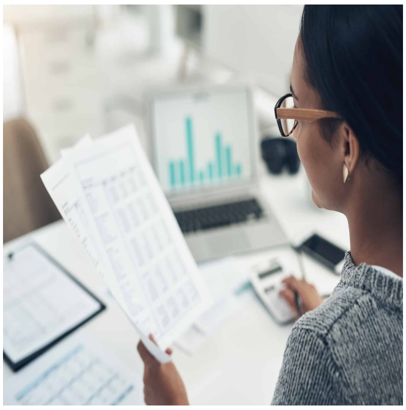

The 3 Top TSX Stocks to Buy With $1,000 Right Now

Description

Investing in stocks might not attract you, given the rising interest rates and fear of an economic slowdown. However, given the significant correction in top TSX stocks, now is an opportune time to invest your surplus cash into equities for stellar returns in the long term. So, if you have $1,000 and don't require it for emergencies, consider buying these three stocks now.

Nuvei

At current levels, **Nuvei** (TSX:NVEI) is an attractive bet in the technology space. The shares of this payment tech company have dropped over 70% in one year, providing a solid buying opportunity. While its growth slowed in the third quarter, management remains upbeat and reiterated its medium-term guidance for volumes and revenues (+30% growth per annum in the medium term), which should spur the recovery in its stock.

The addition of alternative payment methods to its platform, product innovation, and geographic expansion will drive its financials. Further, acquisitions, customer wins, growing wallet share with existing customers, and expansion into the high-growth verticals bode well for growth. Thanks to the pullback, Nuvei is trading at a forward enterprise value-to-sales multiple of 4.3, which is at an all-time low, providing an opportunity for buying.

Aritzia

Though **Aritzia** (TSX:ATZ) stock has bounced back steeply from its lows, it remains a solid long-term pick to outperform the broader markets. Aritzia stock has been consistently growing revenue and earnings at a double-digit rate, which supports the upside in its stock. For example, Aritzia's top line has increased at a CAGR (compound annual growth rate) of 19% since 2018. Moreover, its adjusted net income had a CAGR of 24% during the same period. Due to this solid performance, Aritzia stock has increased at a CAGR of over 37% in the last five years.

Looking ahead, the strong demand for its offerings, momentum in its omnichannel business, and product expansion augur well for growth. Further, the opening of new boutiques and expansion in the U.S. market will support its top line. Overall, higher sales, improved price/mix of products, and cost control will drive its profitability and stock price.

Algonquin Power & Utilities

Algonquin Power & Utilities (TSX:AQN) is a low-volatility and safe stock. Despite its low-risk profile, Algonquin Power has consistently delivered healthy returns on the back of its growing earnings. Its regulated utility assets remain immune to market swings and generate predictable cash that drives its growth and payouts. Moreover, the increase in its renewable power-generation capabilities bodes well for future growth.

Algonquin Power's earnings have increased at a CAGR of 11% in the last five years. Moreover, the company has paid and increased its dividend for 12 years (at a CAGR of 10%).

Algonquin Power's growing rate base (expected to increase at a mid-teens rate through 2026) will drive its earnings. Management expects its earnings to grow at a CAGR of 7-9% through 2026, which will support its future dividend payments. The addition of Algonquin Power stock will add stability to your portfolio. Moreover, investors can earn a solid dividend yield of 6.2% by investing in its stock at current levels.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:AQN (Algonquin Power & Utilities Corp.)
2. TSX:ATZ (Aritzia Inc.)
3. TSX:NVEI (Nuvei Corporation)

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1. Investing

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