



5 Stocks You Can Confidently Invest \$500 in Right Now

Description

A few good TSX stocks won't let you down regardless of market conditions, implying you can confidently invest in these companies. Even if short-term headwinds weigh on their stock prices, their solid business models could help them navigate the challenges well and recover quickly, as the operating environment improves.

Against this backdrop, let's look at five stocks in which you can confidently invest \$500 in to generate market-beating returns in the medium to long term.

Alimentation Couche-Tard

Alimentation Couche-Tard ([TSX:ATD](#)) is a [low-volatility stock](#) that has consistently outperformed the benchmark index and has delivered solid growth regardless of the market conditions. Its solid store presence in the domestic market, growing foothold in the U.S., ability to acquire and integrate fast-growing companies, and recession-resilient business position it well to deliver solid returns.

Couche-Tard stock has gained about 55% in three years and is up about 18% year to date. Further, its top and bottom line have a CAGR (compound annual growth rate) of 11% and 20% since 2012.

Thanks to its solid financials, it enhanced its shareholders' value by increasing dividend at a CAGR of about 25% in the past decade.

Dollarama

Like Couche-Tard, **Dollarama** ([TSX:DOL](#)) is another exceptional [retail stock](#) that has performed in all market conditions. For instance, its top and bottom line have had a CAGR of 11% and 17% since 2011. Its solid earnings growth has helped the company to raise its dividends consistently. Moreover, it has driven its stock price higher.

Notably, Dollarama stock has appreciated by about 64% in three years. Further, it is up about 21% year to date. Its value pricing, a broad assortment of consumable products, and large and growing

store base position it well to continue to deliver solid financial performance and drive its stock price higher.

Aritzia

Aritzia ([TSX:ATZ](#)) continues to perform well, despite macro challenges, leading to a sharp price recovery. Its stock has recouped almost all of its losses in 2022 and has gained over 170% in three years. The fashion house's revenue and earnings have a CAGR of 19% and 24%, respectively, since 2018, reflecting strong demand and boutique expansion.

While solid demand will support the uptrend in Aritzia stock, strengthening of its omnichannel business, product expansion, and opening of new boutiques in the U.S. augur well for growth. Higher sales and productivity savings will cushion its margins and drive its stock price.

Telus

Telus's ([TSX:T](#)) business is deemed essential, which makes it an all-weather stock. The company has consistently delivered profitable growth and returned solid cash to its shareholders through dividends and share buybacks. Telus stock is also an attractive investment for investors willing to capitalize on the [5G rollout](#).

Telus's growing wireless customer base, low churn, broadband network expansion, 5G rollout, and strength in the international business position it well to deliver solid earnings that will drive its stock price. Telus is also a top [Canadian dividend stock](#), yielding 4.9% at current levels.

Shopify

Though **Shopify** ([TSX:SHOP](#)) stock has lost significant value in 2022, its fundamentals remain strong and position it well to mark a swift recovery as the operating environment improves. Notably, the easing of inflation and an expected slowdown in interest rate hike has given a solid push to Shopify stock, which has appreciated by about 47% in one month.

This [technology stock](#) is poised to benefit from the ongoing shift in selling models toward the omnichannel platform. Also, the expansion of its products in new markets, growing adoption of its payments and capital offerings, investments in fulfillment services, and strategic alliances with social media companies bodes well for growth.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)
2. TSX:ATZ (Aritzia Inc.)
3. TSX:DOL (Dollarama Inc.)
4. TSX:SHOP (Shopify Inc.)

5. TSX:TD (The Toronto-Dominion Bank)

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