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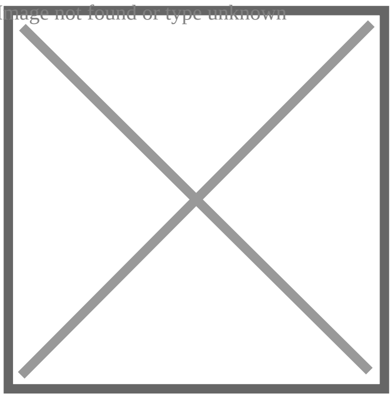

Sitting on Cash? These 2 TSX Stocks Are Great Buys Today But Won't Be Forever

Description

Slowed-down economic growth, rising interest rates, stubborn inflation, and a very inverted yield curve are indicative of a recession on the horizon. However, even if the global market is facing some upheavals, the Canadian stock market is currently enjoying a comparatively favourable environment. Thus, those sitting on cash may underperform those who put their money to work in high-quality companies, with many TSX stocks providing excellent entry points here.

Indeed, the Canadian stock market has seen profitable results in 2022 from investments in companies associated with energy production and customer service. The market has also seen inflation sensitivity, which is above average. Considering these factors, you might profit from the active management of stocks if you know the right stocks to choose at the right time.

Investors looking for stocks offering high dividend payouts and substantial capital appreciation may want to consider **Restaurant Brands** (TSX:QSR) and **Fortis** (TSX:FTS) right now. Here's why.

Restaurant Brands to continue its stable track record

Restaurant Brands recently announced its fourth-quarter earnings report. For the quarter that ended on December 31, 2022, the company reported strong net income of $336 million, up from $262 million a year earlier. Quarterly revenue hit $1.69 billion, surging 9% year-over-year hike of 9%. Impressively, the company has reported overall same-store annual sales growth of 8% over the fourth quarter and 12% sales growth system-wide.

Restaurant Brands also announced that Chief Operating Officer Joshua Kobza would become the new chief executive, replacing José Cil, effective from Mar. 1, 2023. This news led to some near-term volatility in the stock price, which I continue to view as a buying opportunity.

That's because the company continues to be hard at work, coming up with strategies to boost domestic sales. For example, the company's plan to invest $400 million for marketing and renovation of the chain's locations is one that makes sense.

That said, I think Restaurant Brands has even more growth opportunity internationally. Thus, this is a stock that deserves its multiple target price raises from analysts of late. I think this is a long-term gem worth buying on any dips moving forward.

Fortis has an impressive track record that speaks for itself

Insiders at Fortis have increased their holdings significantly over the past year. This is indicative of the optimism shown by the overall market with respect to this utility giant's ability to grow earnings and redistribute more capital to shareholders over time.

The company's recent fourth-quarter earnings report also highlights the company's impressive performance each and every quarter. Fortis brought in earnings of $370 million, surging 12.8% year over year from $328 million in the same quarter a year prior. Revenue also skyrocketed on a year-over-year basis, coming in at $3.17 billion compared to $2.58 billion a year ago.

What has Fortis done with this increase in earnings? It has passed it on to investors, of course. The company announced a five-year capital-expenditure program amounting to $22.3 billion, while also indicating that its annual dividend increases should come in at the 4-6% range until 2027.

This is a stock I think investors have to own not only for its dividend-growth profile but its long-term earnings growth trajectory.

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