



Got \$5,000? These 3 Canadian Companies Could Help You Retire Rich

Description

The Canadian market is close to reaching the exact same point that it began this year. After an extremely volatile eight months, the **S&P/TSX Composite Index** is now down just 3% on the year.

The extreme levels of volatility led to a 35% drop in just over one month, which was then followed by an incredible run of close to 50% over the next five months.

There's no question that there's plenty of uncertainty in the near term for the Canadian market. But for long-term Foolish investors that have time on their side, there will be companies that exit this tumultuous year with a stronger market position than when they had entered 2020.

I've covered three top TSX stocks trading in the Canadian market today. I believe that each has the potential to deliver market-beating returns for patient buy-and-hold investors.

Cargojet

Travel stocks have unsurprisingly not fared particularly well throughout this pandemic. Canadian travel companies, such as **Air Canada**, have seen share prices get slashed, as the majority of air travel abruptly came to a halt earlier this year. **Cargojet** ([TSX:CJT](#)), however, has [grown close to 75% since the beginning of the year](#).

The \$3 billion company is an air cargo service provider to both consumers and businesses across North America, with a specialization in providing time-sensitive overnight shipments.

Year to date, the company has seen a drop in demand from the business-to-business division. The drop has been largely offset, though, by an increase in consumer shipments from the healthcare and e-commerce segments.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) has not enjoyed the same type of bull run that Cargojet has over the past several months. The energy company has seen its stock price take a major hit from the

headwinds in the oil and gas sector this year.

The stock may be down 15% on the year, but I see this as a buying opportunity for long-term investors. The company is extremely well diversified within its business mix and is in a [strong financial position with regards to its balance sheet](#).

Enbridge can also provide investors with a dividend equal to a yield of close to 7.5% at today's stock price. The stock currently pays shareholders an annual total of \$3.24 per share.

Royal Bank of Canada

To round out my three picks I've reviewed Canada's largest bank, **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)). Valued at a market cap of \$140 billion, RBC was the largest company in Canada until **Shopify** claimed the number one spot earlier this year.

Similar to Enbridge, RBC benefits from having a well-diversified portfolio of revenue streams. The company not only offers a wide range of products and services to its consumers, but it also offers shareholders diversification geographically as well.

Although this dividend yield might not be as high as 7.5%, a yield of 4.4% is nothing to complain about. RBC is also one of the most reliable dividend payers you'll find on the Canadian market. The Dividend Aristocrat currently pays shareholders \$4.32 annually per share.

Foolish bottom line

You could definitely argue that there is lots of uncertainty within the short-term view of the Canadian market. But for long-term investors, that shouldn't stop you from buying quality market-leading companies today.

CATEGORY

1. Bank Stocks
2. Energy Stocks
3. Investing

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1. cargojet
2. cargojet stock
3. Editor's Choice
4. enbridge
5. enbridge stock
6. RBC
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TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:CJT (Cargojet Inc.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:RY (Royal Bank of Canada)

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