Got $500? 3 Top Canadian Stocks to Buy Right Now

Description

It's been a great year so far to be invested in Canadian stocks. We're not even halfway through 2021 yet, and the **S&P/TSX Composite Index** is already up 10%.

The best part is, I think the growth this year is just getting started. You could argue that we're due for a pullback at some point, but I'm betting that the Canadian market will end the year with a gain far higher than 10%.

The country is still far from being fully reopened, but there are plans in place to be optimistic about a return to somewhat normal living this fall. If that is the case, a strong economic rebound from the return of consumer spending could send the stock market surging.

I've put together a basket of three Canadian companies that you can own in its entirety for less than $500 right now.

Royal Bank of Canada

Now valued at a market cap of $170 billion, **Royal Bank of Canada** (TSX:RY)(NYSE:RY) has regained its place as the largest company in the country. It has been going back and forth with **Shopify** for most of last year, but the recent sell-off in the tech sector has given the number one position back to RBC.

RBC likely won't be a growth driver in your portfolio, but at these prices, market-beating growth is not out of the question over the next five to 10 years.

The Big Five are all coming off a strong past 12 months. The banks were initially hit hard by the COVID-19 market crash, but a renewed interest in value investing this year has seen the banks soar to new all-time highs. Even so, I believe prices are still very reasonable.

At today's stock price, RBC trades at a forward price-to-earnings ratio barely over 10.

If you're looking for a dependable Dividend Aristocrat with a top yield that can also provide marketing-beating growth potential, RBC is for you.

Northland Power

Valued at not even $10 billion, **Northland Power** (TSX:NPI) is a much smaller company than RBC. That trade-off is that it has lots more growth potential.

The company has already established itself as a leader in the growing renewable energy sector . With operations across the globe and facilities generating all kinds of different renewable energy sources, not many competitors can match the broad exposure that Northland Power has.

The renewable energy stock has been a reliable market outperformer for years. Shares have nearly doubled the returns of the Canadian market over the past five years. That's not even including its impressive 3% dividend yield either.

The tech sector is where you'll find most of the high-priced growth plays, but growth investors should not ignore renewable energy stocks. The valuations of renewable energy stocks tend to be lower than what you'd pay to own a top tech stock. In addition to that, many renewable energy companies own dividend yields upwards of 2%, including Northland Power.

Docebo

Docebo (TSX:DCBO)(NASDAQ:DCBO) is a prime example of a high-priced tech stock. Shares have only been trading on the **TSX** since October 2019 but are nearing a gain of 350%.

The growth has been impressive, but investors looking to start a position today will need to pay up. Shares are trading at a lofty price-to-sales ratio above 30.

Docebo saw a rise in demand for its services when the COVID-19 pandemic hit last year. The company's cloud-based virtual training platforms became that much more important to businesses when many of their employees began working from home.

We're already beginning to see a return to shared office spaces, but I'm still bullish on the need for virtual training platforms. I think this pandemic will have a lasting effect on how much time employees spend working from home, which will only bode well for the tech company.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Tech Stocks

POST TAG

1. Bank stocks
2. banks
3. DCBO
4. dividend investing
5. dividend stocks
6. Docebo
7. green energy
8. growth stocks
9. northland power
10. NPI
11. passive income
12. RBC
13. renewable energy
14. royal bank of canada
15. tech
16. tech stocks
17. technology stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:DCBO (Docebo Inc.)
4. TSX:NPI (Northland Power Inc.)
5. TSX:RY (Royal Bank of Canada)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Tech Stocks

Tags

1. Bank stocks
2. banks

3. DCBO
4. dividend investing
5. dividend stocks
6. Docebo
7. green energy
8. growth stocks
9. northland power
10. NPI
11. passive income
12. RBC
13. renewable energy
14. royal bank of canada
15. tech
16. tech stocks
17. technology stocks

Date
2025/07/21
Date Created
2021/05/12
Author
ndobroruka