



The 2 Best Canadian Stocks I Would Buy With \$2,000 for 2021

Description

If you've got \$2,000 available to invest in the stock market, now would be a good time to start loading up on Canadian stocks. With vaccines continuing to be distributed across the globe, the economy is in a prime position to have a [very opportunistic rebound](#) this year.

Even though the COVID-19 pandemic was around for most of 2020, investors still saw many tech stocks soar to all-time highs. And as that growth has carried over into 2021, I believe the tech sector is starting to head into overvalued territory. I'm still bullish on many **TSX** tech stocks, but I'm looking to other sectors for my portfolio's next buy.

I reviewed two top Canadian stocks that are on my watch list right now. While they might not match the growth that we've seen in the tech sector over the past year, long-term investors have plenty of reasons to be bullish on these two Canadian companies.

Canadian stock #1: Brookfield Renewable Partners

Tech stocks soared in 2020, but the renewable energy sector was not far behind. The surge of green energy stocks has been evident over the past several years, and with newly elected U.S. President, Joe Biden, the growth may be just getting started.

Brookfield Renewable Partners ([TSX:BEP.UN](#))([NYSE:BEP](#)) was one of the top-performers in the sector last year. Shares of the green energy stock were up an incredible 70% in 2020. In comparison, the Canadian market was barely positive.

The reason why this Canadian stock is on my watch list right is because it can do it all. With gains of nearly 200% over the past five years, Brookfield Renewable Partners shareholders have a very strong chance of continuing to earn [market-beating growth](#) over the next decade.

It's not only the company that's growing quickly, but also the entire industry. Consumers and businesses alike are both realizing how important green energy is to the future of our planet, which is fueling the rise in demand for renewable energy sources across the globe.

I'll also add that the company pays a dividend that yields close to 3% at today's stock price. There aren't many **TSX** stocks that pay a yield that high with a market-beating track record like that of this Canadian stock.

If I had to pick just one sector to over-index my portfolio towards over the next decade, it would be no doubt the green energy sector.

Canadian stock #2: Bank of Nova Scotia

Compared to the renewable energy and tech sector, banking sure trailed in terms of growth. It was no surprise to see the Big Five struggle to keep up with the market's returns last year as the low-interest-rate environment took a major hit on the Canadian banks.

Short term, I'd agree that the banks are not an attractive buy today. It's not looking like interest rates will be shooting up anytime soon, so I wouldn't bet on the banks to drive market-beating growth this year. But over the long term, there's a great value play here.

I've got **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) on my watch list right now for a few reasons. Don't get me wrong, each of the Big Five would be an excellent long-term value play, but I've got my eye on Bank of Nova Scotia for more reasons than just valuation.

Brookfield Renewable Partner's dividend is impressive, but Bank of Nova Scotia's is unique in its own right. At today's stock price, the \$90 billion bank is nearing a dividend yield of 5%. What really makes it stand out is the fact that the Dividend Aristocrat has been paying dividends to shareholders for nearly two centuries.

Foolish bottom line

If you're hesitant to get into the stock market today because you think it's overvalued, I don't blame you. Valuations of some top tech stocks like **Lightspeed POS** and **Shopify** have many calling for a tech-bubble. While I do agree that the tech sector is getting to be quite frothy, that's no reason to avoid investing in Canadian stocks altogether.

If you're a long-term investor with time on your side, there are plenty of great options for investing \$2,000 right now. Together, these two Canadian stocks can provide investors with exposure to a fast-growing industry, market-beating growth potential, and two dividends that you'll be hard-pressed to match.

CATEGORY

1. Bank Stocks
2. Energy Stocks
3. Investing

POST TAG

1. bank of nova scotia
2. Bank stocks
3. banking
4. BEP
5. BEP stock
6. BNS
7. BNS stock
8. brookfield renewable energy
9. canadian bank stocks
10. canadian banks
11. energy
12. energy stocks
13. green energy
14. renewable energy
15. renewable energy stocks
16. scotia bank
17. Scotiabank

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:BNS (Bank Of Nova Scotia)

PARTNER-FEEDS

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

Category

1. Bank Stocks
2. Energy Stocks
3. Investing

Tags

1. bank of nova scotia
2. Bank stocks
3. banking
4. BEP

5. BEP stock
6. BNS
7. BNS stock
8. brookfield renewable energy
9. canadian bank stocks
10. canadian banks
11. energy
12. energy stocks
13. green energy
14. renewable energy
15. renewable energy stocks
16. scotia bank
17. Scotiabank

Date

2025/09/28

Date Created

2021/03/01

Author

ndobroruka

default watermark

default watermark