

4 Starter Stocks for Every Beginner Investor

Description

For every investor, it's critical to have core holdings on which to build a well-rounded portfolio. These companies have strong cash flows, sustainable competitive advantages, and are positioned for long-term success

There are many fantastic companies that meet these credentials, but **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), **Fortis Inc.** ([TSX:FTS](#))([NYSE:FTS](#)), **TransCanada Corporation** ([TSX:TRP](#))([NYSE:TRP](#)), and **CCL Industries Inc.** ([TSX:CCL.B](#)) are a few that stand out among the pack. In addition, these core holdings operate in different industries that will provide diversification within the heart of your portfolio.

Here's a quick look at these four blue-chip companies that every beginning investor should look to acquire.

TD

The second-largest financial institution in Canada is a profit-driven machine. The stock price has been under pressure of late, but the long-term prospects of the company are still strong. With TD's significant exposure to the U.S., it will benefit from an improving U.S. economy and continue to grow its current dividend yield of 3.6%.

Fortis

Fortis is one of the top 15 utility companies in North America. The company has demonstrated its ability to provide long-term returns to investors with 43 consecutive years of dividend increases. With over 93% of its assets being regulated, the company's recurring cash flows should allow it to continue its streak of dividend increases and build on the current yield of 3.6%.

TransCanada

This large operator of North American natural gas and oil pipelines has provided reliable returns to investors over many years. The company has had an average annual return of 15% since 2000 and plans to increase its dividend by 8-10% until 2020. Even if the Keystone project falls through, the company should continue to deliver steady returns to investors.

CCL Industries

The business of labeling and packaging may be boring, but it's extremely lucrative for big players like CCL. The company's current stock price might scare away the average investor; however, shareholders will be voting on a five-to-one stock split in May. This won't affect the stock's adjusted share price, but it is certainly a sign that management believes the future is bright for CCL.

Foolish bottom line

Investing in these four companies will provide a solid foundation for any beginner investor. Buying and holding fantastic companies like the ones mentioned above will position you for long-term investing success. There will be plenty of ups and downs, but as long as you keep an even temperament and long-term view, you'll be well on your way to financial freedom!

Keep calm and Fool on!

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1. Bank Stocks
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TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. NYSE:TRP (Tc Energy)
4. TSX:CCL.B (CCL Industries)
5. TSX:FTS (Fortis Inc.)
6. TSX:TD (The Toronto-Dominion Bank)
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Date

2025/08/25

Date Created

2017/04/14

Author

cbeck

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