



New Investor? Build Your Portfolio Around These 3 Pillars

Description

When you first get into investing, it can be a bit daunting because there are so many stocks to choose from, and you can get a lot of different opinions on what to do. You might hear that dividend stocks won't earn you much money, or that growth stocks are the sure way to turn a profit in the market.

However, with investing, there is a learning curve, as with anything. While you are learning the ins and outs of how the investing world works and how to analyze investments, it might be a good idea to go with some stable stocks that are low risk that you can learn from.

I've tried those stock market simulators, and the one thing I've learned is, until you are using real money and making real decisions, it's never going to be the same. You can practice strategies, but the problem is anyone can be a risk taker when there's nothing to lose, and most people probably wouldn't make the same decisions when real money is on the line.

That discipline is the hardest thing to teach yourself in investing. For that reason, I'm going to list three stocks with good fundamentals that you can build your portfolio with as you start out. These won't be high-risk or high-growth stocks that you'll see doubling in value, but these blue-chip stocks can still earn you money by capital appreciation and dividend income.

Canadian Imperial Bank of Commerce ([TSX:CM](#))([NYSE:CM](#)) is first on the list, because you [can't go a safer route than investing in a bank stock](#). This is a stock you can own the rest of your life and not worry about it. The big banks in Canada are a lot safer than what we've seen south of the border. In five years, CIBC's stock has climbed nearly 50%.

However, what makes the stock great is its dividend, which, at 4.5%, offers investors a very strong yield. The company also has a terrific track record of growing its payouts.

Hydro One Ltd. ([TSX:H](#)) is a utility stock and has the province of Ontario as a big shareholder. Those two items will provide you lots of stability, and with the company's recent foray into the U.S., this stock could have a lot of potential. With a yield just shy of 4%, it also offers you a great payout that you can collect every quarter.

The stock has only been listed on the TSX for two years, and in that time it has grown just 3%, but it certainly has much more opportunity for growth in the future.

Telus Corporation ([TSX:T](#))([NYSE:TU](#)) is one of the market leaders in the telecom industry, and like its rivals, Telus is in no serious danger of being pushed off its pedestal. Despite operating in a saturated and highly competitive market, the company was still able to grow sales by 4% in its [most recent quarter](#).

Telus consistently posts strong profits, and it too will pay you over 4% every year just for owning the stock.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:TU (TELUS)
3. TSX:CM (Canadian Imperial Bank of Commerce)
4. TSX:H (Hydro One Limited)
5. TSX:T (TELUS)

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