



New Investors: 3 Stock to Build Your Portfolio Around

Description

If you're a new investor looking to build your portfolio, you'll likely find yourself overwhelmed with options to choose from. Choosing dividend stocks or growth stocks and deciding on which industry to invest in are just some of the big questions that you'll need to answer. Often, the temptation is to follow the crowd and get on the bandwagon, whether it is Bitcoin or pot stocks, but that can be very risky.

Over the long term, your portfolio will be much safer with blue-chip stocks that have good prospects for growth. Below are three investments that fit this bill, that will provide you with an opportunity to diversify, and that can produce both dividend income and capital appreciation for your portfolio.

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)) is one of the most [stable](#) stocks on the TSX that you can find. And with strong market share and lots of diversification, it's easy to see why the stock would be a good buy. A strong position in the industries that it operates in gives the stock a lot of safety as well.

Year to date, the share price has declined around 10%, as investors have been bearish on telecom stocks this year, as fears that online streaming will lure investors away from television have only grown. The one positive side effect of that decline is that BCE's dividend yield has been pushed up to 5.6%, and it can provide you with above-average returns.

The company has a strong track record for growing its payouts as well, and so just by holding the stock for years, you could be earning a lot more money than you are today.

Over the past five years, BCE has averaged a very strong 12% profit margin and could be a great long-term buy.

Suncor Energy Inc. ([TSX:SU](#))([NYSE:SU](#)) might be more susceptible to risk, but it's also going to give you a lot more opportunities to benefit from capital appreciation as well. While you may assume that the stock needs a high price of oil in order to be successful, that hasn't been the case. In fact, over the past five years, Suncor's stock has risen 75% and has gone on to increase even as the downturn has gone on.

Suncor had a bad year in 2015 when it recorded a significant net loss, but it has recovered since then,

and its profits could continue to soar, as it looks to deploy [self-driving trucks](#) in an effort to further bring down its costs.

Suncor currently pays investors a modest dividend of 2.7%.

Waste Connections Inc. ([TSX:WCN](#))([NYSE:WCN](#)) is another great stock to round out your portfolio with. This is a great recession-proof company that will have business no matter what cycle we are in or how the economy is doing, as trash needs to be collected and disposed of, no matter what.

It's that simple business model that makes Waste Connections a great buy and why the stock has risen more than 70% over the past couple of years. The company has been able to use acquisitions to help double its sales in just two years, and there could be more opportunities to do so in what is a very fragmented industry.

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1. Investing

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2. NYSE:SU (Suncor Energy Inc.)
3. NYSE:WCN (Waste Connections)
4. TSX:BCE (BCE Inc.)
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