



The 3 Stocks Every Diversified Portfolio Needs

Description

Is your portfolio adequately diversified? The market provides us with an abundance of great investment options to choose from, but amazingly many of Canada's best investments are often clustered around the same segments, whether they are financial energy or resources.

Fortunately, there are plenty of investments that investors can add that will diversify their portfolios. Here are some worthy of consideration.

The diversified insurer

Most Canadians are familiar with the financial products that insurance heavyweight **Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)) provides. Manulife is, after all, the largest insurer in Canada with one in three of us as customers.

Facing market saturation at home, Manulife made the decision several years ago to turn to the opportunity posed by the emerging markets in Asia. Asia is experiencing a massive influx of wealth creation, with billions being passed on to younger generations that have both the funds and desire to invest in the products that Manulife offers.

To capitalize on the opportunity, Manulife fostered a number of agreements with financial institutions across Asia, becoming the exclusive provider of financial products.

To say that the effort has been successful would be an understatement, as [double-digit gains](#) from the segment are commonplace during earnings season.

In terms of a dividend, Manulife offers a quarterly dividend with a yield of 3.66%.

The diversified bank

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is neither the largest or most well known of Canada's big banks, but Scotiabank is arguably the most diversified and impressive option for investors looking for growth.

Unlike many of its peers that opted to expand in the U.S. market, Scotiabank chose to expand into the lucrative Latin American market, more specifically, Mexico, Chile, Columbia, and Peru. Those four nations comprise the Pacific Alliance, a trade bloc established to increase trade across its member nations and remove all tariffs between member states.

The bloc has proven incredibly successful, and Scotiabank's presence in all four nations has translated into double-digit growth from the company's international segment for several consecutive quarters.

Besides the diversified portfolio outside the more traditional expansion markets, Scotiabank's quarterly dividend provides an impressive yield of 4.26% surpasses that of its big bank peers.

The diversified asset manager

Asset managers are an interesting breed of investments, and **Brookfield Asset Management** ([TSX:BAM.A](#))([NYSE:BAM](#)) is perhaps the undisputed champion among asset managers. The company has an impressive portfolio of managed assets that span the globe, including some of the most well-known landmarks and businesses around the world, such as Canary Wharf in London and the Atlantis hotel in the Bahamas.

Recently, that [portfolio expanded](#) to include the iconic tower at 666 Fifth Ave in New York, which was owned by the company of President Trump's son-in-law, Jared Kushner.

While its portfolio makes Brookfield an incredibly diversified offering for investors, there are other factors to consider. Acquiring the distressed asset is only half of the equation; the other part is turning the company around to become profitable and potentially selling it for a profit.

In addition to its incredible growth prospects, Brookfield offers a respectable quarterly dividend that, given the current stock price, amounts to a 1.50% yield.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
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2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:MFC (Manulife Financial Corporation)
4. TSX:BN (Brookfield)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:MFC (Manulife Financial Corporation)

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