



## 3 Worry-Free ETFs With Huge Growth Potential

### Description

After the last recession of 2008, investors wanted something different. Why were they looking to banks to invest in a number of different industries or choosing stocks to take advantage of a certain industry when they could be investing in an industry as a whole?

Enter the exchange-traded fund (ETF). ETFs provide a low-cost, lower-risk way for investors to take advantage of industries, while still acting much like a stock. They have become quite the staple of many portfolios because of this, with an unimaginable amount now available for purchase.

That makes it pretty difficult to choose which one to buy. However, I have three today that should make any long-term investor happy.

### Horizons

**Horizons S&P/TSX 60 Index** ([TSX:HXT](#)) stock is a new favourite for investors because of its low price and method. The ETF gives investors a piece of the S&P/TSX for a severely low fraction of the cost. Rather than investing in the S&P/TSX as a whole, the stock chooses the top 60 performing stocks for its portfolio. Better still, those stocks are chosen through the use of artificial intelligence. That means two things: data over gut feeling, and incredibly low management fees.

Investors who are looking to take advantage of the S&P/TSX and have a diverse portfolio to boot, will absolutely love this stock. Even more so, they'll love its steady growth. Since 2010, the stock has increased about 70%. That means an investment of \$5,000 would now be worth \$8,500.

### BMO

Next up, we have **BMO Low Volatility Canadian Equity ETF** ([TSX:ZLB](#)). This ETF is great for the investor who wants the [smallest amount of risk possible](#); hence the stock's name. This ETF focuses on low-risk stocks such as utilities, telecoms, and the like that generally see a slow and steady climb in share price. This also means there isn't a whole lot of trading going on, so the management fees on

this ETF are also incredibly low.

To give you an example of just how strong this ETF is, while the S&P/TSX slid 17% last October to December during the market crumble, this stock only fell about 9% and quickly rebounded. How quickly? After falling 5.43% between Nov. 26 and Dec. 17, the stock reached \$30.43 by Jan. 14. So, it only took one month to get right back to where it started. Since then, it's continued to climb to where it is at the time of writing at \$33.39. That's an increase of 118.5% since 2012, meaning a \$5,000 investment would be worth \$10,900. Clearly, low volatility doesn't mean low results.

## Vanguard

Finally, we have **Vanguard Balanced ETF Portfolio** ([TSX:VBAL](#)). Again, as its name suggests, this stock is out for a [balanced portfolio](#), which means more risk than a low-volatility ETF but not so much as the Horizons ETF. The company creates this balance by exposing investors to the U.S., Canadian, international, and emerging markets. This way, investors are getting the benefit of multiple economies, so that if one is doing poorly, another picks up the slack. Also, it gets the benefit of investing in exciting new markets, but letting professionals do the work.

Now, this stock is a bit interesting, as the share price has remained rather steady in the last few years. However, it's also pretty much brand new, only going back to May 2018. But if you had purchased when the stock dipped in December, your shares would have grown almost 10% already. And that's definitely not nothing.

## Foolish takeaway

If you're looking to open an account and — for the most part — forget about it, ETFs are the way to go. And if you're going to do that, each of these provides you with a solid base of steady growth for decades to come. Depending on what you're looking for, they each offer something a bit different. Do you want no risk? Go with BMO. Want a little more excitement? Horizons might be better. A bit of both? Pick Vanguard. But if you're looking to invest long term, you really can't lose.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:HXT (Horizons S&p/tsx 60 Index ETF)
2. TSX:VBAL (Vanguard Balanced ETF Portfolio)
3. TSX:ZLB (Bmo Low Volatility Canadian Equity ETF)

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