



## RRSP Investors: 2 Canadian Stocks to Start a Balanced Pension Fund

### Description

The start of the new year normally gets Canadian investors thinking about stock picks for their [RRSP](#) portfolios.

Ideally, we make contributions and invest the funds throughout the year to take advantage of dips in the market and start earning [dividends](#) as soon as possible.

However, this is not always easy to do, as cash flow requirements can change and many people earmark year-end bonuses for their RRSP contributions.

Hence the RRSP rush that occurs at the beginning of every year.

Regarding strategy, it is recommended to have a balanced portfolio with exposure across industries, as well as geographic regions. Let's take a look at two stocks that might be interesting picks to get your RRSP started today.

### Brookfield Asset Management

**Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) is a giant in the alternative asset segment.

The company owns 2,000 assets spread out across 30 countries on five continents. It is truly a global business and gives Canadian investors a great opportunity to have exposure to a variety of international markets through the ownership of unique assets.

The businesses fall into four categories: real estate, infrastructure, renewable power, and private equity.

The real estate division owns hotels, office buildings, student housing, multi-family, storage, and industrial properties worth \$193 billion. The infrastructure group has \$66 billion in assets under management in the utility, transport, energy, and data infrastructure segments.

The \$50 billion renewable power division has more than 5300 facilities in the portfolio with 18,800

megawatts of generating capacity.

Finally, the private equity pillar has \$62 billion in assets under management with a focus on acquiring high-quality businesses that have barriers to entry in sectors that include business services, industrials, and residential.

Falling interest rates have helped push the stock price higher in the past year as investors seek out opportunities that can deliver above-average returns.

A global economic downturn could put some pressure on the stock, but buy-and-hold investors should be comfortable owning Brookfield Asset Management.

## Sun Life

**Sun Life Financial** ([TSX:SLF](#))([NYSE:SLF](#)) is another strong Canadian company that gives investors global exposure.

Sun Life gets most of its revenue and earnings from the Canadian and U.S. insurance and wealth management divisions, but it also has a growing presence overseas, with a specific focus on Asia.

The company has set up operations or strategic partnerships in the region's most populated countries, including India, China, Indonesia, the Philippines, Malaysia, and Vietnam.

As middle-class wealth in these countries expands, Sun Life is positioned to benefit from rising demand for its suite of products and services. Asia accounted for 17% of underlying net income in Q3 2019.

The Great Recession hit Sun Life hard and management made a series of changes in the past few years to reduce risk in the event of another meltdown in equity markets.

The company sold off the U.S. annuities business that caused most of the grief and has invested new funds in asset management opportunities.

Sun Life is performing well and anticipates 8-10% underlying earnings-per-share growth over the medium term. This should support steady dividend increases. Investors who buy the stock today can pick up a yield of 3.7%.

## The bottom line

Brookfield Asset Management and Sun Life are top Canadian companies that give investors great international exposure. If you are searching for stocks to start a self-directed RRSP, these companies deserve to be on your radar.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)
3. TSX:SLF (Sun Life Financial Inc.)

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