



How to Buy TSX Stocks Like the CPP Investment Board

Description

Looking for places to park your cash, grow your wealth, and glean some passive income for retirement? Depending on your financial goals, there are some key schemes to buy into, from ETFs to REITs, as well as tax-free solutions such as your TFSA.

There's also a winning formula that retirement investors can look to, and it's right under their noses: The Canada Pension Plan Investment Board.

A world-class cross-section of solid businesses

While the Canada Pension Plan can help domestic residents ensure a comfortable retirement, it's not the only way that it can help investors.

By emulating the investment strategy of the CPP Investment Board, Canadians building wealth for their later years can pad a stock portfolio with quality assets.

The CPPIB is provably bullish on the North American economy, and has invested more than \$192 billion in this part of the world – almost half of its total assets. The mission statement of the CPPIB encompasses the sustained growth markets of North America with a focus on long-term returns.

Picking and choosing outperforming stocks for a retirement portfolio isn't always straightforward, but knowing that the following companies have been vetted by a strong asset management team adds some reassurance.

Let's take a look at three of the top **TSX** stocks on the CPPIB's books.

How to invest like the CPP

The CPP Investment Board is tasked with investing the assets of 20 million Canadians to uphold the sustainable operation of the CPP. As part of its strategy, the CPPIB holds a number of publicly traded

equity holdings.

BCE is an exemplary CCPIB stock. Up by around 10% in the last 12 months, BCE has continued to appreciate [despite stiff competition](#). During that period, it has continued to reward investors with a 5.2% yield while facing a rapidly changing media environment affecting 10% of BCE's total revenue. Its Bell brand controls 30% of the Canadian wireless market, however, representing a wide economic moat.

The CPPIB also holds shares in **CN Rail**, a one-stop stock for exposure to a vast spread of Canadian industrial assets.

As investors saw with its strike last year, CN Rail is [resilient to disruption](#) in terms of share price, with considerable sections of the domestic economy reliant on its well-established transportation network that stretches across the whole country.

The Investment Board's largest holding by market value is **WSP Global** as per 2019 data. A popular stock still on the way up, the engineering and consultation company offers investors access to a diverse spread of industries incorporating transportation, infrastructure, industrial, and energy. Up 4% post-acquisition of Ecology and Environment, WSP Global is also a play on the high-growth green economy.

The bottom line

Beating the bear market is one of the main aims of the CPPIB, and there have been more than a few signs that a sustained downturn is still on the cards.

For retirement investors already using the CCP for financial security, buying stocks that support Canadian pensions adds reassurance as well as a more direct route to upside and passive income from high-calibre businesses.

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vhetherington

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