



2 Amazing Stocks to Buy for Brand-New RRSP Investors

Description

The deadline for making RRSP contributions for the previous year is just around the corner. You have until March 22, 2020, to top up your RRSP for the tax year 2019. For a new RRSP investor, it could be tricky to pick the right stocks to hold.

If you have just forayed into the RRSP investment line and need a couple of stock names to buy and stash, then read on. I am going to suggest two names here that could prove to be fantastic additions to your RRSP portfolio.

Brookfield Property Partners

Brookfield Property Partners ([TSX:BPY.UN](https://www.bny.com/en/real-estate/brookfield-property-partners)) is a commercial real estate company of global repute. It has invested in commercial, multi-family residential, and hospitality sectors all over the world. However, many investors are still hesitant to invest in real estate because they are continually being reminded of the 2007 crash.

As a new RRSP investor who is a decade or more away from retirement, you should not worry about how the looming recession could affect the real estate market. The better yardstick to see if a [REIT stock](#) is good for now is to factor in its dividend yield.

Brookfield Property Partners is currently paying a 7.26% dividend yield to its investors. If you use 30% of the RRSP contribution limit to buy Brookfield Property Partners shares, which makes \$7,950, you can annually earn \$577 on the investment.

The other growth and market indicators also suggest that Brookfield Property Partners stock is a good buy. For instance, there is only a 2.3 times difference between its trailing and forward P/E ratio, showing the company's ability to generate profits for its shareholders. The 18.12% stock growth in the last five years is also an encouraging sign for new investors.

Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) could be another good stock to keep in your RRSP. It is the third-largest Canadian bank and a Dividend Aristocrat. It has been paying its investors in dividends for more than 100 years, and I do not see this tradition changing in the future.

The bank's stock value can increase in the coming years, mainly due to its partnership with Pacific Alliance; a [Latin American](#) trade bloc consists of Mexico, Peru, Colombia, and Chile. The bank is planning to tap into the improving economic conditions of the region, with the population over 200 million.

So, it is very likely that by the time you retire, the price and dividend yield of the stock will ripen your RRSP investment, so much so that you may not even mind the tax deductions.

Summary

As a new RRSP investor, you need to buy stocks that can offer you good net proceeds even after the tax deductions. With good, steady dividend yield and overall growth, Brookfield Property Partners and Bank of Nova Scotia come out as wise additions to RRSP.

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1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. TSX:BNS (Bank Of Nova Scotia)
3. TSX:BPY.UN (Brookfield Property Partners)

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