



## 2 Core TSX Stocks That Are Perfect for the Long Term

### Description

As many investors know by now, this is one of the best times to buy **TSX** stocks in the last decade. It's clear that investors have been taking advantage, as many stocks have rallied considerably in the last few weeks.

While many stocks still offer significant value for investors, some stocks you may want to think about buying before others are core stocks.

Core stocks are major blue-chip companies that can make up a large portion of your portfolio. These are the major names that are some of the biggest and most reliable stocks on the TSX.

By building up a core portion of your portfolio with these top TSX stocks, investors can improve the stability of their portfolio and give it a core base of strong businesses to rely on.

Oftentimes, because their earnings power is so strong and the companies are so reliable, they trade at a premium. This makes opportunities like now so much more profound.

So, during times like these, it can be prudent to load up on core stocks; then, over time, as the economy starts to recover, take smaller positions in higher-potential growth stocks.

Two of the top core TSX stocks to strengthen your portfolio today are **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) and **Telus** (TSX:T)([NYSE:TU](#)).

### Asset management stock

Brookfield is an investment management company with assets around the world. For retail investors, it's essentially a way to gain exposure to some of the best investments that Brookfield can source.

The company looks for high-quality businesses, usually ones in distress that it can buy undervalued. It then works to find any and all efficiencies to increase the investment's profitability considerably.

Once the investment has gone through its turnaround and is providing significant cash flow, the company recycles that cash flow and finds new businesses to invest in.

This strategy is great in theory but still requires high-quality execution both in the investment phase and the operations phase. [Brookfield](#), however, has proven it can execute on a long-term basis, growing its share price by more than 400% from 2010 until 2020.

Today, the stock still offers long-term investors significant value. Despite a rally the last two weeks, it's still roughly 20% off its highs, but investors should act quickly, as that discount may soon be gone.

## Telecom TSX stock

Telus, another core stock to consider, is one of the top stocks on the TSX and a reliable telecom. Telecom stocks make for great long-term investments especially as the sector will be one of the top-performing industries going forward.

In the case of a recession, telecoms are great investments because the services they offer are staples. A large portion of these companies' revenue is recurring, making them top businesses to own through times of uncertainty.

And when the market eventually recovers, there are years of growth in the Canadian telecom industry, especially with the introduction of the 5G network.

Telus itself is a major cash cow, and the massive income it generates and doesn't reinvest in the business, the company uses to pay out to shareholders. That's one of the main reasons why Telus is one of the top TSX stocks on the Canadian Dividend Aristocrats list.

The business has [returned more than \\$16 billion](#) to investors over the last 16 years. Today, its dividend yields upwards of 5.2%. This is a significant dividend yield, especially from a reliable TSX stock like Telus.

The stock is still down by roughly 20% from its highs. That's exceptional value for a stock that is more than capable of being a high-quality investment in your portfolio for decades.

## Bottom line

Core stocks should make up a major portion of your portfolio. These stocks will be the main investments responsible for growing and protecting your capital. That's why it's paramount to own only the best of the best. That way, you put yourself in position to be as successful as you can possibly be.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:TU (TELUS)
3. TSX:BN (Brookfield)
4. TSX:T (TELUS)

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