



3 Top Stocks for Millennials

Description

Millennials have been hit hard during this economic downturn. After months of uncertainty, the **TSX Composite** seems to have hit its peak. After a drop of about 40% back in March, the composite climbed steadily upwards. As of writing, however, the composite seems to have peaked at around \$16,500 per share.

That's likely because market volatility continues for Canada and the rest of the world. The pandemic is far from over, though we wish it was. That means there is likely to be further waves of the virus, as Canada continues to open for business. As the waves hit, it's quite likely that the market will continue to dip over and over with each new wave.

What investors need during this time of uncertainty is, well, certainty. You need stocks that will do well once the volatility has passed, some defence during this uncertain time, and perhaps even some side cash while you wait. That's why for millennials, I would recommend **Toronto-Dominion Bank** ([TSX:TD](#)) ([NYSE:TD](#)), **Choice Properties REIT** ([TSX:CHP.UN](#)), and **Cargojet** ([TSX:CJT](#)).

TD Bank

Millennials can't really go wrong when investing in the [Big Six banks](#). Canadian banks performed well during the last recession and were prepared for another economic downturn. Of course, no one could prepare for a pandemic. So, that's why you want a stock that is likely to outperform the other banks in the years to come.

TD Bank is that stock. The bank has been in expansion mode into both the United States and the wealth and commercial management sector. In the U.S., it's already become one of the top 10 banks in the country, with room to grow. Wealth and commercial management is highly lucrative, and it's only in the beginning phases.

Of all the banks, this one has the most room to grow. That growth should translate to strong share growth as well. Shares fell almost 40% back in March, and are now back up 26%. That leaves a potential upside of 26% to reach pre-crash prices and beyond. But over time, this bank is up 210% in

the last decade, with a dividend yield of 5.02% as of writing. That's huge gains to look forward to for long-term investors.

Choice Properties

While you wait for TD Bank to grow, you'll want some [cash coming in](#). Millennials already don't make all that much money and have record levels of debt. So, a passive-income stock like Choice REIT is perfect. The REIT offers a dividend yield of 5.8% as of writing and a cheap share price of about \$13 per share.

The stock is a safe bet as Canada's largest REIT, with a diverse portfolio that means it can continue bringing in passive income for shareholders. Shares are down 17% from pre-crash prices, but there should be huge growth over the next several years. The company has invested in building residences above its existing retail locations. That's more rent for less space. So, sit back and enjoy the solid dividends while this company continues to expand for years.

Cargojet

Finally, if you really want to take advantage of today's market, you need an e-commerce stock. At first glance, Cargojet is just a shipping company, transporting goods through its fleet of aircraft. However, the company recently saw huge growth with the expansion of the work-from-home economy. That growth is likely to continue over the next few years, as the pandemic continues to come back in waves.

However, growth was inevitable. Not just because e-commerce continues to boom, but because of Cargojet's partnership with **Amazon**. The company bought a 9.9% stake in Cargojet last year, and that should grow to 14.9% in the next few years should the e-commerce giant deliver \$400 million in business — a likely feat given the already rapid growth. Shares are at all-time highs, but each earnings report should see this company soar even higher.

Bottom line

Millennials need stocks that deliver in the short and long term. This generation is racked with debt, looking to settle down, but with little means to do it. These three stocks promise strong long-term growth, quick turnarounds in a depressed market, and stable passive income while you wait.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
3. TSX:CJT (Cargojet Inc.)
4. TSX:TD (The Toronto-Dominion Bank)

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