



New Investors: The Best Stocks to Buy Right Now

Description

A lot of new investors have come on the scene in the last year. During the market crash, investors saw an opportunity to make cash quickly. Even better was that Canadians actually had money to spend. With the economy finally rebounding, Canadians have been paying down debt and looking for the best stocks to buy right now and see their savings grow. And frankly, it's about time.

If you're one of these new investors with some cash to set aside, I wouldn't go straight for risky stocks like cryptocurrency. Instead, it's far more prudent to start easy and create a watchlist of other stocks you're interested in. That way, those strong stocks will help you build towards your goal while you dig into the riskier options.

So, if you're looking for the best stocks to buy right now, I would start with this industry.

Bank on banks

Banks in Canada remain some of the best stocks to buy right now. True, each of the Big Six banks came down during the market crash. That's a given. These banks are too invested in the economies both in Canada and around the world to not be affected. However, given the diverse range of investments, these Big Six banks managed to recover within a year's time. This happened during both the Great Recession and the COVID-19 crash.

As long as you can accept that once every decade or so your shares will drop for a bit, you can simply turn on your blinders and be confident in these banks recovering. So, now your cash is safe. That also means your dividend is safe. While banks have sometimes stopped increasing a dividend, these top banks haven't cut the dividend yield in decades. In fact, they haven't missed a payout since they began paying dividends. So, again, they provide safe and stable income.

But if you're looking for the best stocks to buy right now, including within the banking industry, which is the best of the best?

TD Bank stock

I would consider **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) as my [top choice](#) for investors looking for the best stocks to buy right now. TD Bank has the strength of a Big Six bank, the history of growth, but also the promise of future growth. This blue-chip stock is over 100 years old, never missing a dividend payout in that time. It's also the second-largest bank by market capitalization, currently at \$159 billion as of writing.

Yet TD Bank stock has a strong future of growth ahead of it, as it's [become a leader](#) in finding new revenue streams. The company expanded into the United States, where it became one of the top 10 banks in the country. During the pandemic, it shifted focus to its online presence and offered a number of loan-repayment options, bringing in revenue before other Big Six banks.

TD Bank stock has also seen growth by investing in credit cards, while remaining conservative so as not to overextend itself. The growth in this company is far from over, but TD Bank stock has already seen share growth of 67% in the last year and trades at all-time highs.

Yet investors can still pick up this stock trading at 1.8 times book value and 13.4 times earnings, making it fairly valued. Given that it has a compound annual growth rate of 11.86% in the last decade, this is growth that will continue for years.

Foolish takeaway

If you're looking for the best stocks to buy right now, look to banks. Among those, TD Bank stock offers solid and stable growth for years to come. It's a strong bank that's seen it business wade through a crisis relatively unscathed. Meanwhile, you can pick up a solid 3.58% dividend yield today. It's perfect for any new investor with long-term goals.

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