



## Got \$500? Here's 1 Top Canadian Stock to Buy in June 2021

### Description

Investing in stocks is long-term game. If you want to build long-standing, compounding wealth, you need to manage a few things.

### Be thrifty

Firstly, you need to be thrifty. One thing I love about [Warren Buffett](#) is his thrift. He always looks at a personal expense as an opportunity cost. For example, had he not bought that purchase and rather invested that money, what would it be after 20 years of compounding returns?

It's a great question, and something I am trying to ask myself more regularly as well. The point here is save, save, save. One day in the future, those savings invested and compounded could be worth more than you ever imagined.

### Control your emotions

Secondly, you need to be emotionless. Of course, that is not really possible. Humans naturally experience a wide range of emotions. However, when it comes to the stock market, it is so important to neither be too optimistic or too pessimistic. Always be critical of your investments and challenge your thesis. Yet be optimistic about the future, both for the businesses you believe in and the world we live in. Stocks trade up and down day to day. Yet great stocks that have great business models tend to go up over time more often than not.

### Treat stocks like a garden

Be patient. Investing is like planting a garden. Seeds don't sprout overnight, nor do they produce fruit in a week or even a month. The best businesses have great roots and resilient branches. However, even with them, it can take years, if not decades to fully bear fruit. If you are willing to commit to the process, I am certain you can do very well. All it takes is starting.

Perhaps you have \$500 of seed money today. Here is one top Canadian stock I would definitely take a look at.

## A top global asset management stock

**Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) is a core stock every Canadian should hold. While this is considered a "financial" stock, I would much rather own it than a bank or a lifeco. Brookfield is one of the largest alternative asset managers in the world. It owns, manages, and operates \$600 billion worth of everything from real estate to infrastructure to insurance (and so much more).

The reason I like this stock is that it is a natural diversifier. You get exposure to so many different types of assets. These are in many different geographies as well. Having such diversity is a great business hedge against economic volatility. Not only that, but this business is just doing tremendously well right now.

Interest rates are near all-time lows, so institutional [investors are flocking from bonds to alternatives](#). As a result, BAM is seeing a huge amount of money moving to its funds and products. Consequently, its assets under management continue to rise; I wouldn't be surprised if it hit \$1 trillion in the next four or five years.

All this means more fee-related revenues and broader opportunities to garner carried interest (i.e., it gets a stake in the profits of the funds it manages). Already in 2021, BAM is demonstrating very strong results. In its recent first quarter, BAM grew funds from operations (FFO) per unit (its profitability metric) by a whopping 227% to \$1.80 per share!

I expect strong results into the rest of this year. This business has a great balance sheet and a team of top-notch capital allocators. Consequently, this is one Canadian stock to buy, hold, and watch your money grow over a lifetime.

### CATEGORY

1. Investing
2. Personal Finance
3. Stocks for Beginners

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)

2. TSX:BN (Brookfield)

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