



Got \$500? The Best Stocks to Buy Right Now

Description

The **TSX** hit a milestone this week when it surpassed the 20,000-point mark. Over the last month alone, the Composite has risen 4.3% and 14.34% year to date. This tells us that despite the pullback in multiple sectors, the economy is recovering — so much so that it can feel hard to know the best stocks to buy right now.

What's even worse is many investors feel they need to have a lot of cash on hand to even start investing. Not true. What you should do is first figure out how much you can afford after you put cash aside for your necessities like food, mortgage, car payments, etc. Then you can see how much of that you can put towards strong stocks — stocks that may be cheap but are still reliable.

So, if you have even \$500 to invest, these are the best stocks to buy right now.

Insure your investments

Insurance companies sound boring, and that's [because they are](#). Boring really should read as reliable. These are safe investments where you can keep your cash for decades and see steady growth. And luckily, many are still trading below fair value. One such investment is **Great-West Lifeco** ([TSX:GWO](#)), which has seen steady share increases, even during the economic downturn.

The company made several acquisitions last year, bringing total assets up to \$2.1 trillion — an increase of 5% since December 2020, making it one of the best stocks to buy right now from this growth. It also offers investors a 4.68% dividend yield that's increased at a compound annual growth rate (CAGR) of 3.6% in the last decade. Shares are up 77% this year alone and 125% in the last decade for a CAGR of 8.44%.

Energize your stocks

There's a reason that investors are flocking towards **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) right now. It's one of the best stocks to buy right now thanks to the rebound in the oil and gas sector. After about five

years of downward trends, with usage in pipelines sinking, finally there is growth ahead.

As the economy rebounds, the usage of pipelines and Enbridge stock's [growth projects](#) will increase. That increase in demand will lead to further cash flow, though the company is stabilized by long-term contracts for decades in the future. The company reaffirmed its 2021 guidance, expecting EBITDA between \$13.9 and \$14.3 billion and \$10 billion of growth projects in service this year.

Shares of the stock are up 12.55% in the last year and 125% in the last decade for a CAGR of 8.48%. Meanwhile, Enbridge stock has a stellar dividend yield of 7.28% that's grown at a CAGR of 14.32% in the last decade! This one definitely tops my list of buys.

Bottom line

Both of these stocks are stable investments that can see you through decades of growth. Even if you just have \$500, you can invest that amount in both stocks and reinvest dividends to see substantial gains. Say you were to put \$500 into both Enbridge stock and Great-West Lifeco stock for the next 30 years and only reinvest dividends. That could take your total to \$738,489 based on current performance!

CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:GWO (Great-West Lifeco Inc.)

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