



Got \$500? Here Are 4 Top Canadian Stocks to Buy Today

Description

With meme and Reddit stocks going crazy right now, it is getting a bit difficult to know [how to play the Canadian stock markets](#). All I can say is your best bet for building wealth is by buying stocks in great quality businesses.

Look for businesses with a history of stable growth, good balance sheets, great management teams, and long-term prospects. Buy these types of Canadian stocks and hold them for as long as the business continues to make sense. Forget gambling on speculative stocks because your capital is just too precious.

If you've got as little as \$500 and are looking to start a solid investment portfolio, here are four top stocks that make a well-balanced portfolio.

A great all-around Canadian stock

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is a great starter stock for every portfolio. As one of the world's largest alternative asset managers, it owns and manages infrastructure assets, renewables, real estate, private businesses, debt, and insurance. Owning this stock is like owning a very complete portfolio of hard assets in and of itself. The great part, is you don't have to manage those assets yourself.

Rather Brookfield has an expert team of capital allocators. It generally takes a contrarian approach to the market, so it buys assets when markets are distressed and sells them at market highs. Right now, it is capitalizing on strong asset prices. It just had one of its best quarters on record as a result. This stock is a great staple for every Canadian investor.

An ideal long-term income play

For some stable quarterly income, **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is a very attractive long-term Canadian stock. It operates regulated water, natural gas, and electricity utilities

across the Americas. It also has a pretty substantial renewable power business. I like this mix because you get stable, predictable cash flows from the utilities, but upside from accelerating demand for renewable power solutions.

For a utility, this business is growing at about 12-15% a year. It has an aggressive capital plan that should unlock a lot of value over the next five years. It also pays an attractive 4.5% dividend right now. This company has consistently raised its dividend by about 10% a year, so it also has income upside as well.

A top Canadian value stock

A consumer staple stock Canadian investors might want to consider is **Alimentation Couche-Tard** (TSX:ATD.A)(TSX:ATD.B). It is one of the largest operators of convenience stores across the world. You might be familiar with its Circle K or Couche-Tard franchises. This business generally grows by acquiring convenience chains, but it also has some attractive organic opportunities.

It is seeking to improve customer experience, expand products and services, and is expanding even into electric vehicle charging stations. The company has a great history of utilizing shareholder capital to accrete growth.

Yet, it trades at a very reasonable valuation. This Canadian stock has an excellent balance sheet and has been aggressively buying back stock lately. Consequently, this is a great value/pandemic-recovery stock to own for the long term.

A Canadian tech IPO

For a higher-growth stock **Telus International** ([TSX:TIXT](#))([NYSE:TIXT](#)) is pretty attractive. While Telus completed an initial public offering (IPO) in February, the stock has not really done much since. Yet, in [its first public quarter](#), this Canadian stock produced impressive results. Revenues grew year-over-year by 57% to \$505 million and adjusted EBITDA expanded by 90% to \$129 million.

It is not often you find a company that is quickly growing and also profitable. Telus International helps large businesses digitize and streamline their customer experiences. It is growing organically, but it also recently acquired a leading data analytics and annotation business, which should give it a major competitive edge.

For 2021, management targets growing revenues, adjusted EBITDA, and earnings per share by 30% or more. To me, it looks like an early inning for a great Canadian stock.

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4. Stocks for Beginners

TICKERS GLOBAL

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2. NYSE:BN (Brookfield Corporation)
3. NYSE:TIXT (Telus International)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:ATD (Alimentation Couche-Tard Inc.)
6. TSX:BN (Brookfield)
7. TSX:TIXT (Telus International)

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