



3 Hot Stocks to Buy This July

Description

Diversifying your portfolio with investments from a broad area of the market is something that should be top of mind to every investor. Unfortunately, selecting one or more investments can be a daunting task, particularly for newer investors. That's not to say that the market can't provide! Here are some hot stocks to buy this July for nearly any portfolio.

The buy-and-hold bank

It would be nearly impossible to compile a list of hot stocks to buy without mentioning at least one of Canada's big banks. Today, the big bank to consider is **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)).

Scotiabank offers a serious advantage over its peers that comes down to growth and income potential.

In terms of growth, the bank has expanded into the Pacific Alliance member nations heavily, leading to the bank's de facto status as a preferred lender in the region. That move has already provided lucrative growth to Scotiabank's international segment. Additionally, further growth is expected to continue for the foreseeable future.

On the income side, Scotiabank already boasts one of the tastiest [dividends](#) among its big bank peers. The current yield works out to 4.44%, meaning a \$25,000 investment will earn \$1,110 in the first year alone. Even better is the fact that Scotiabank still trades at a discounted level compared to historical levels.

Oh, and to top it off, there's a good chance that once dividend increases resume (they were halted at the onset of the pandemic), Scotiabank will provide a handsome uptick. That factor alone makes Scotiabank one of several hot stocks to buy this July.

Renewable energy is always a great buy

Now that the warmer weather is finally here, let's take a moment to talk about power. Specifically, I'm

referring to renewable energy, which is a key factor in considering **TransAlta Renewables** ([TSX:RNW](#)).

TransAlta is a “best-of-both-worlds”-type of investment. The company benefits from the defensive business model that traditional utilities adhere to. This means that TransAlta continues to generate a safe and recurring stream of revenue. That revenue stream is backed by regulated contracts that can span decades.

The other appealing point to make comes in the form of growth. Governments are shifting towards generating energy from renewable sources. This leaves traditional utilities with massive costs to [transition to renewables](#).

In the case of TransAlta, the company already has an all-renewable portfolio of well-diversified facilities located across Canada, the U.S., and Australia. If that weren't reason enough to consider investing, TransAlta also offers a juicy 4.47% dividend with a [monthly distribution](#).

Go on; become a landlord. I'll wait

Buying a rental property to generate income is one of the oldest and most reliable ways to generate a viable income stream. Unfortunately, an influx of people moving to Canada's metro areas has pushed home prices into the stratosphere. The average price of a home in the GTA is now well in excess of \$1.2 million, effectively pricing out many.

So, where should prospective landlords turn to? To answer that, let's look at **RioCan Real Estate** ([TSX:REI.UN](#)).

RioCan is one of the largest REITs in Canada. The company has a broad range of properties that were previously focused on commercial retail. More recently, RioCan has shifted its focus to mixed-use residential and retail properties in Canada's metro areas.

It is those properties, known as RioCan Living, where there is a significant opportunity. RioCan's mixed-used properties consist of residential towers that are built on top of several floors of retail. Furthermore, those properties are located in high-demand locales in Canada's metro areas along transit routes.

The properties provide residents with an alternative to long commutes while also generating revenue for the company. That helps make TransAlta one of the hot stocks to buy in July, but there's still more.

That revenue comes back to investors in the form of a handsome monthly dividend. The current yield works out to an attractive 4.35% yield.

The hot stocks to buy are waiting

No stock is without risk. That being said, the three stocks noted above are all hot stocks to buy with massive growth and income-earning potential. In other words, they should be part of any well-diversified portfolio.

CATEGORY

1. Dividend Stocks

2. Investing

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. TSX:BNS (Bank Of Nova Scotia)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)
4. TSX:RNW (TransAlta Renewables)

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