



## Top 5 Canadian Stocks to Buy As a Beginner

### Description

Starting to invest in stocks might give you goosebumps. There is too much technical data and jargon that sound alien to you. But one thing you understand is don't buy just one share. Diversify your portfolio and read what the company does. A good start will be to open a Tax-Free Savings Account (TFSA) and invest from here. The account will protect your investment income from taxes.

### Five stocks to buy as a beginner

Now choose a broker that has a minimum commission and transaction fee. There are many 0% commission brokers for beginners. As an early investor, you can begin investing with the following shares:

- **Hive Blockchain Technologies** ([TSXV:HIVE](#))(NASDAQ:HVBV)
- **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#))
- **BCE** ([TSX:BCE](#))([NYSE:BCE](#))
- **Air Canada** ([TSX:AC](#))
- **Magna International** ([TSX:MG](#))([NYSE:MGA](#))

If you have \$2,000, allocate that amount to the above five stocks in different proportions, depending on your risk appetite.

### Hive stock

You are here to explore what the stock market has to offer. The beauty of shares is you can get exposure to commodities like oil and gold, real estate, cannabis, and even currencies without having to bear the legal and logistic risk. Just buy the stocks of companies that do business in these segments. They are more organized, have money, expertise, and business sense in how to profit from these alternatives. As an amateur, you may get scammed buying crypto or property. But the chances of getting scammed are less in the highly regulated stock exchange.

Hive can give you exposure to Bitcoin and Ethereum prices if you are looking to hold these currencies for investment purposes. You can trade Hive like any other stock on **TSX**. Now it is also

[listed](#) on **Nasdaq**. The stock will move in tandem with BTC price until it identifies a blockchain application that can be scaled and made profitable. This is a stock you might want to take a chance with and hold for the next 10 years. But invest just 5%, or \$100, of your \$2,000 portfolio as it is a high-risk stock.

## Air Canada

To get the growth, you need to invest in future technologies. But you can also get growth by being in the right place at the right time. Air Canada is on the verge of recovery, but COVID waves are keeping it at bay. The stock is trading below the \$24 price and is likely to stay there until a stable recovery is in sight. Air Canada is a recovery stock that can surge 32% and reach its pandemic high of \$31 when pent-up demand picks up.

Unlike Hive, Air Canada has a lower downside risk as it is already trading closer to its low. But AC is not immune to risk. You can invest 10%, or \$200, of your portfolio in this stock.

## Descartes and BCE

After investing in risky stocks, you should hedge your risk by investing in resilient stocks in a long-term uptrend. For this, seek companies that are into essential services. Descartes offers software solutions for logistics and supply chain management. While it may not look essential to you, given the complexity of global trade, a company that deals with goods, people, and information can't do without these solutions.

Hence, you will see Descartes' share in a long-term uptrend with small bouts of dips. The share has delivered average annual growth of 20% in the last five years.

Similarly, BCE is a telecom stock that is riding the [5G](#) wave. The stock's key feature is its regular dividends. But in the last few months, it has been surging thanks to the 5G growth potential. You can lock in an annual dividend of 5.23% and also see your stock price surge. Invest 25% of your portfolio (\$250) in each of these two stocks to offset any downside from Hive or AC.

## Magna stock

Keep the remaining 35%, or \$700, for any new opportunity, or you can invest in Magna. This stock could see an [upside](#) when the automotive industry comes out of a short-term chip supply shortage.

## A foolish affair

These five shares will diversify your portfolio across growth, dividend, recovery, and future trends, giving you a balance of risk and reward.

### CATEGORY

1. Investing

## TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. NYSE:BCE (BCE Inc.)
3. NYSE:MGA (Magna International Inc.)
4. TSX:AC (Air Canada)
5. TSX:BCE (BCE Inc.)
6. TSX:DSG (The Descartes Systems Group Inc)
7. TSX:MG (Magna International Inc.)
8. TSXV:HIVE (Hive Blockchain Technologies)

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