



## 2 Dirt-Cheap TSX Stocks for Beginners

### Description

Beginners should seek to simplify things when [starting](#) their portfolios. There are a plethora of options out there, but you don't need to have an opinion on every single one of them. Instead, it would help if you narrowed your focus to the businesses you can understand well, so you get a slight edge over Bay or Wall Street.

If your area of expertise lies in the energy sector, feel free to take action at the number of bargains in the industry. But do remember that you should maintain proper diversification — something that can be challenging to do for Canadian investors who are reluctant to venture south of the border.

Undoubtedly, a less-favourable loonie versus the greenback and the FX hit you'll take from your bank or broker is less than ideal. But in times, it is necessary, as the TSX lacks exposure to provide a proper amount of diversification. Of course, as a stock picker, you can diversify your portfolio with mostly Canadian names. But your selection may be more limited. In any case, this piece will show you two beginner-friendly stocks that beginners should feel comfortable stashing in their portfolios for the long haul.

**Telus** ([TSX:T](#))([NYSE:TU](#)) and **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) are two terrific Canadian stocks that can help beginners form a rock-solid foundation to build on. Both names have handsome dividends of 4.3% and 4.6%, respectively, at writing. Both dividends are slated to grow, offering beginners the perfect mix of income and [capital appreciation](#) over the long run.

### Telus

Telus is a telecom titan that we all know and love. The company has a history of delivering a better quality of customer service versus its peers in the space. With a reputation of having a higher-quality mobile network, Telus is a cut above the competition in the triopoly known as the Big Three.

With the glory days of the Big Three likely sticking around for many more decades, I'd argue that shareholders of any name in the Big Three stand to be major winners over time. Telus doesn't just have a reputation for customer service and network quality; it has been outpacing its peers of late. In

2020, Telus delivered spectacular results, as broader COVID pressures weighed down the entire sector. How did Telus do it? It has magnificent managers. Led by industry veteran Darren Entwistle, Telus has really taken its growth to the next level.

As COVID pressures subside, Telus looks to be one of the better-positioned telecoms to capitalize on the 5G boom. Although the stock is expensive at a new all-time high just shy of \$30, I would not hesitate to recommend the name here. It's riding high on momentum that's unlikely to stall anytime soon.

## Bank of Nova Scotia

Bank of Nova Scotia is another beginner-friendly stock that looks to be a great value right now. At just 10.9 times trailing earnings, Canada's most international bank is trading at a decent discount to its historical range. Although the 2021 rally has stalled out, just modestly higher than pre-pandemic 2020 highs, I think BNS stock is a great long-term global recovery play from COVID.

It's not just the world's recovery from COVID that has me preferring Bank of Nova Scotia over its peers; I think the broader basket of bank stocks is dirt cheap, given the likely upward trajectory of interest rates over the 2020s. In due time, dividend hikes will return for Canada's banks, and Bank of Nova Scotia will not hold back with its recovery in full swing.

Bank of Nova Scotia is a great pick for beginners here and now. Like Telus, it's a play that will get better with time.

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1. Investing
2. Stocks for Beginners

### POST TAG

1. Editor's Choice

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2. NYSE:TU (TELUS)
3. TSX:BNS (Bank Of Nova Scotia)
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