



## Want to Start Investing? 3 Canadian Stocks for a Beginner's Portfolio

### Description

Investing your money is extremely important. We all need to save for retirement when we can no longer work to bring in an income. However, saving your money, especially in this day and age, almost surely won't be enough on its own. Because inflation is consistently devaluing cash, it's crucial that you grow and compound your hard-earned capital by investing in quality Canadian stocks.

This is why many people invest or at least have their money earning some type of interest. At the very least, you want to keep your purchasing power. What's also really important and plays a significant role in the potential your portfolio has is starting as early as possible. The earlier you start investing and the more money you save, the better the opportunity you create for yourself, since your money has more time to [compound](#).

And luckily for investors, because of modern finance, you can start with as little as a couple hundred dollars if you're interested in beginning to invest today. So, here are three high-quality Canadian stocks to buy for a starter portfolio that you can continue to own for years.

### A top defensive stock

If you're just starting out, some of the best companies to buy first are safe and defensive businesses that pay an attractive dividend, such as **Hydro One** ([TSX:H](#)). Hydro One is a massive electric utility with transmission and distribution assets spanning Ontario.

It's one of the safest Canadian stocks you can buy, considering that electricity is an essential service, so sales are incredibly robust. Furthermore, utilities are a rate-regulated industry, which lowers risk even more.

This makes Hydro One an excellent stock to start building a portfolio. It's safe, can be owned for years, and will consistently return cash to you. Plus, that cash should continue to increase each year. Over the last five years, the dividend has grown by more than 23% and today yields roughly 3.5%.

Hydro One has a target payout ratio of 70-80%. This way, it can retain cash and reinvest it in growing

its rate base, leading to more dividend increases down the road.

If you're looking to get your feet wet and [start investing](#), Hydro One is an excellent dividend stock you can be confident owning for years.

## A top long-term Canadian growth stock

Another excellent Canadian stock that's highly robust and a perfect long-term investment is **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). BCE offers slightly less stability than a utility stock like Hydro One. However, it provides far more long-term growth potential, especially as 5G technology rolls out across Canada.

BCE is an excellent stock for beginner investors, because it's another core stock for your portfolio. Telecommunications are an essential industry. And these companies own long-life assets, which allows them to generate tonnes of cash flow.

That's why BCE is another high-quality dividend-growth stock and one of the most popular stocks among Canadian investors. It will be much more stable than many other stocks during a market correction and continue to pay you passive income through recessions.

So, if you're looking for a high-quality company to start investing and building a portfolio, BCE is a top Canadian stock to consider.

## A high-quality growth stock

Lastly, a stock that's still defensive but can offer considerable growth potential over the long run is **Canadian Apartment Properties REIT** ([TSX:CAR.UN](#)). CAPREIT, as it's known, is a high-quality residential real estate stock that owns over 65,000 sites and suites. Residential real estate is another highly defensive industry, making CAPREIT an excellent long-term investment.

Furthermore, it's also a top growth stock and is consistently expanding its portfolio. Over the last decade, CAPREIT has earned investors a total return of more than 325%. This makes it another excellent stock for Canadian investors who are just starting to invest to add to their portfolios. It helps diversify your holdings and adds more growth potential as well as adding another dividend stock to the mix.

So, if you're looking to start investing, Canadian Apartment Properties REIT is one of the best stocks any investor can buy today.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)

4. TSX:H (Hydro One Limited)

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