



How Beginners Buy Stocks: 5 Top Stock Picks for You

Description

Whenever you start a new thing, there are goof-ups, losses, chaos, and learning. The same logic works in stock market investing. Many [beginners](#) buy stocks just by reading the top stocks to buy. They don't see the right price to buy and what to expect from the share. When dividend stock doesn't give growth or future growth stock falls in the present, you sell the stock and abandon stock investing.

Here are five stocks to buy as a beginner, but each one has the expectation of a different return:

- **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#))
- **Magna International** ([TSX:MG](#))([NYSE:MGA](#))
- **Hive Blockchain Technologies** ([TSXV:HIVE](#))(NASDAQ:HVBT)
- **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#))
- The iShares **NASDAQ 100 Index ETF (CAD-Hedged)** ([TSX:XQQ](#))

Descartes Systems

Descartes is a resilient growth stock that goes through ups and downs but overall generates double-digit growth. Last year it surged 30%, while this year it has surged 41% year to date. What fuels its growth is the nature of its business. It provides supply chain management and logistics solutions to a diversified customer base. There will be a need to optimize supply till goods, people, and information transit from one place to another.

Descartes's 2020 growth was fuelled by e-commerce volumes, and 2021 growth by airline passenger volumes. The stock is in a long-term growth trend, so don't panic in a dip. Instead, buy more of these stocks.

Magna stock

Magna is a business cycle stock as it deals with automotive components and contract manufacturing. The pandemic was a poor year for automotive and then a supply shortage of automotive

semiconductors added to the bears. But the automotive market is heading to a growth cycle as major auto markets are promoting the adoption of electric vehicles (EVs). There is pent-up demand for EVs. Magna has partnered with 24 of the top 25 EV makers. This shows Magna is ready to ride the EV wave and deliver strong growth in the coming two to three years.

The chip shortage pulled the stock down 16% from its high, creating an opportunity to buy at a lower price before it rallies.

Hive stock

Walking on the growth path, Hive is a stock that gives you exposure to Bitcoin and Ethereum. As a beginner, investing directly in crypto is a risk. But with Hive, the risk diversifies. It is a blockchain technology company that mines BTC and ETH at its data farms. The company is looking at other alternatives like artificial intelligence and rendering to use its high-performance computing capacity. It is also exploring alternate applications of blockchain to provide revenue when crypto prices fall.

Hive is a highly volatile stock, and a 20-40% price movement in a few days is normal. Don't buy the stock when it is surging because it can fall anytime. The share is currently trading 20% below its September high, making it a good buying point. Don't sell the stock if it dips. There could be a rally coming.

TC Energy stock

While growth stocks can give returns, they also carry high risks. It is important to cushion this risk with some dividends. TC Energy stock offers a 5.35% dividend yield. It has been growing dividends for [21 years](#) at a compound annual growth rate (CAGR) of 7%. I strongly recommended this stock in [August](#) as it was trading at a heavy discount. The stock has surged 8.5% from September onward but is still a buy.

Don't expect capital appreciation from this stock, but buy it for its dividends. The share can fetch you \$50 annually (excluding dividend growth) on a one-time investment of \$1,000.

iShares NASDAQ 100 Index ETF

No portfolio is complete without an ETF. It is a cost-efficient way to mimic the market returns. The iShares NASDAQ 100 index ETF is a tech-heavy ETF with 10% holdings in **Apple** and **Microsoft**. For less than \$120, the ETF gives you exposure to many big tech names. The overall tech sector is in a long-term growth trend, so buy and hold the ETF and don't panic-sell in a dip.

CATEGORY

1. Investing
2. Stocks for Beginners
3. Top TSX Stocks

TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. NYSE:MGA (Magna International Inc.)
3. NYSE:TRP (Tc Energy)
4. TSX:DSG (The Descartes Systems Group Inc)
5. TSX:MG (Magna International Inc.)
6. TSX:TRP (TC Energy Corporation)
7. TSX:XQQ (iShares NASDAQ 100 Index ETF (CAD-Hedged))
8. TSXV:HIVE (Hive Blockchain Technologies)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

PP NOTIFY USER

1. arosenberg
2. pujatayal

Category

1. Investing
2. Stocks for Beginners
3. Top TSX Stocks

Date

2025/08/26

Date Created

2021/10/16

Author

pujatayal

default watermark

default watermark