



If You Can Only Own 2 Stocks, Consider These

Description

The growing awareness of the benefits of stock market investing and the necessity to create alternative revenue streams has led many Canadians to begin dabbling with stock market investing. As with anything new to you, I understand that starting a stock market investing career can be overwhelming, especially if you don't know where to begin.

[If you are just starting investing](#), you might be wondering where it would be ideal to allocate your investment capital. High-growth stocks seem like a tempting place to start amid all the news of tech companies turning early entrants into wealthier investors. However, it is vital to establish strong foundations for your investment portfolio to provide you with reliable returns before considering riskier assets.

Today, I will discuss two top TSX stocks that could be [ideal investments](#) to begin building your investment portfolio.

Canadian Utilities

Canadian Utilities ([TSX:CU](#)) is a \$9.51 billion market capitalization Canadian Dividend Aristocrat that boasts a 48-year dividend-growth streak, easily making it the top Canadian dividend stock to consider. The utility is the epitome of reliable and growing shareholder returns through its rising dividends.

The company derives most of its revenues through highly rate-regulated and long-term contracted assets, virtually guaranteeing predictable cash flows for the company.

Canadian Utilities stock is not an asset that you can expect to deliver shareholder returns through capital appreciation. Like most utility businesses, it is a defensive asset that provides stability to investor portfolios during turbulent market environments. If you are looking for a long-term investment that could serve as a solid foundation, CU stock could be an ideal investment to consider.

The stock is trading for \$35.36 per share at writing, and it boasts a juicy 4.98% dividend yield.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is a \$58.36 billion market capitalization Canadian telecom stock that could be a strong contender for your investment portfolio as a core holding. The stock is also one of the oldest dividend-paying stocks in Canada. The company began distributing a portion of its profits with its shareholders through dividend payouts in 1881 and has delivered shareholder dividends ever since.

BCE stock could be an excellent asset to add stronger growth potential through capital appreciation. The advent of 5G technology offers an excellent opportunity to grow in the coming months. The company generates billions in revenues each year, and it has a wide enough economic moat to consistently deliver shareholder dividends.

The stock is trading for \$64.43 per share at writing, and it boasts a juicy 5.43% dividend yield.

Foolish takeaway

Long-term investing is a proven strategy to help investors meet their financial goals and enjoy life without worrying too much about their finances, especially in retirement. If you can own only two stocks, I would advise considering investing in Canadian Utilities stock and BCE stock.

The two [income-generating stocks](#) can reduce your investment risks, maximize returns, and deliver significant long-term wealth growth through the power of compounding if you reinvest your dividends through a dividend-reinvestment plan.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:CU (Canadian Utilities Limited)

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