

3 Beginner Stocks to Buy in December

Description

If you've just decided to begin investing, it can seem overwhelming at first. There are a lot of factors to consider when investing your money. For this reason, you may want to focus on finding some of the best beginner stocks, as you start to learn the ropes of the stock market.

Before you make your first investment, though, there are a couple of factors to consider. First, you want to make sure the money you're investing you won't need for some time.

This is important because when you can commit cash to the market for a longer time period, you can approach investments with a different mindset, one that will allow you to mitigate short-term risk and take advantage of cheap stocks as markets are selling off.

If you're investing cash that you need six months or a year down the line, it could cause problems for you should the market sell off in the months or weeks leading up to you needing that cash.

Once you have cash that you can commit to investing and locking in the stock market for the long run, then it's time to consider your risk tolerance. This is important, because you don't want to buy stocks that are risky if you can't stomach the volatility. Conversely, you don't want to buy stocks that may be too conservative and potentially give up some profit.

So, with that in mind, here are three of the best beginner stocks to consider in December.

A top dividend stock

<u>Dividend stocks</u> are great investments. And one of the best dividend stocks in Canada that's perfect for beginner investors is **Pizza Pizza Royalties** (<u>TSX:PZA</u>).

Pizza Pizza has one of the most straightforward business models, allowing investors to easily understand how it's performing and whether it's worth an investment.

The company collects a royalty on all the revenue earned by each Pizza Pizza and Pizza 73 location

across Canada. This is important, because you don't have to worry about the profitability of individual restaurants — only that customers are coming through the door and spending.

Because the royalty is taken on sales, the revenue the fund receives is typically not very volatile. So, investors can easily get a sense of how much Pizza Pizza is bringing in and how much it's paying out. This will help you spot if the company is in trouble or, conversely, if a dividend increase could be coming soon.

Plus, it offers an attractive yield of more than 6.1% today, making it a great stock for beginner investors to buy now.

A high-quality real estate stock for beginner investors

Another excellent stock for beginner investors is **Canadian Apartment Properties REIT** (<u>TSX:CAR.UN</u>). Residential real estate is one of the best industries to invest in. It's why so many Canadians buy rental properties. But CAPREIT might even be a better investment than owning your own property.

It offers a massive, well-diversified, and professionally managed portfolio of real estate assets. Plus, it's a highly liquid portfolio, so, unlike owning a rental property, you can get your cash back whenever you want to and with almost no transaction costs.

In addition to these significant benefits, though, CAPREIT is also an excellent performer. Over the last decade, investors have earned a total return of almost 300%, or a <u>compounded annual growth rate</u> of almost 15%.

So, if you're a beginner investor interested in gaining exposure to residential real estate, CAPREIT is an excellent stock to consider.

An easy way to buy Bitcoin

Lastly, one of the most popular investments you can make today is in cryptocurrencies. Therefore, a fund like the **CI Galaxy Bitcoin ETF** is a stock that's perfect for beginner investors.

The ETF allows investors an easy and low-cost way to gain exposure to **Bitcoin**, the most popular and highest value cryptocurrency.

This way, you don't have to worry about any of the complicated processes of the cryptocurrency industry. In addition, the ETF will be eligible for registered accounts like the TFSA.

So, if you're just a beginner but looking to gain exposure to the incredible growth potential of Bitcoin, this is an excellent stock to consider.

CATEGORY

- 1. Investing
- 2. Stocks for Beginners

TICKERS GLOBAL

- 1. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
- 2. TSX:PZA (Pizza Pizza Royalty Corp.)

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Author

danieldacosta



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