



3 Stocks to Start a Portfolio With in 2022

Description

Taking control of your finances is one of the best decisions you'll ever make. However, it can be difficult to start your own portfolio. Schools don't do a very good job teaching kids how to do that, and it remains a taboo topic to discuss, unless you work in the industry. Fortunately, there are many great resources available today that can help new investors build a portfolio. In this article, I'll discuss three stocks you can choose to start a portfolio with in 2022.

If you have a long investment horizon, look at growth stocks

If you're a younger investor and have a longer investment horizon, it would be a good idea to focus on growth. This is because newer investors will often have less capital and need to undergo a "wealth accumulation" phase. Diving into a dividend portfolio right off the bat won't be very beneficial, as the dividends a small portfolio will receive are essentially negligible. My [top growth stock for 2022](#) is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)).

Shopify has continued to impress shareholders with its growth. Many expected Shopify to suffer as consumers returned to in-person shopping. However, Shopify has done an excellent job of acquiring new merchants and upselling to its older cohorts. In turn, this has resulted in an impressive growth in gross merchandise value and total revenue for Shopify. Take its Black Friday-Cyber Monday figures for example. Shopify managed to record [US\\$6.3 billion in sales](#). This represents a 23% increase over the pandemic fueled Black Friday-Cyber Monday weekend the previous year.

Choose reliable industries

New investors should also consider focusing on industries that are fairly stable within Canada. For example, the Canadian banking industry is highly regulated. This makes it difficult for new competitors to enter the industry and displace the leaders. As a result, companies leading the industry have managed to establish formidable moats. Of that group, my top stock is **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)).

Bank of Nova Scotia is listed as a Canadian Dividend Aristocrat, after having increased its dividend for over a decade. It also offers investors a very attractive forward dividend yield of 4.46%. Investors can also consider Bank of Nova Scotia for its growth potential. Heavily exposed to the Pacific Alliance, this company is hoping a growing middle class in that region can help drive business in the coming years.

Make sure to include blue-chip dividend stocks

It's important that investors include a solid core of dividend stocks in any portfolio. Of course, the proportion with which you include dividend stocks will depend on your financial goals. For instance, if you're in the wealth-accumulation phase of your investment journey, then perhaps you'll look for a 25% allocation towards dividend stocks. However, if you're more worried about wealth preservation, then a 75% allocation towards dividend stocks would be reasonable.

Of all the dividend stocks listed on the **TSX**, **Fortis** is my favourite. It provides regulated gas and electric utilities to customers in Canada, the United States, and the Caribbean. Fortis holds the second-longest active dividend-growth streak in Canada (47 years). It is also known as a recession-proof business. This should translate in a more stable stock, in the event of a recession.

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2. Stocks for Beginners

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1. Editor's Choice

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