



4 Top Canadian Stocks for Beginners in 2022

Description

It is a new year, a fresh start, and a great time to start building a Canadian stock portfolio. While I would not say investing is ever easy, it also is not as hard or as challenging as many might imagine.

Other than cash and a brokerage account, all you really need to [start investing](#) is curiosity, a willingness to learn, and a very basic understanding of business fundamentals/accounting. If you are new to investing and are looking to build a diversified portfolio to hold for the long run, here are four Canadian stocks you could buy now.

An all-weather Canadian stock

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is a great Canadian stock to buy and hold for the long run. As one of the world's largest asset managers, it has broad operations that create a diversified portfolio in and of itself. It operates commercial real estate, [renewable power](#), infrastructure, private equity, specialized debt, and insurance investment vehicles.

Brookfield has been growing its distributable earnings per share by a compounded annual growth rate (CAGR) of 32%. In that same period, its stock has delivered a 22.5% compounded annual return.

This suggests that this Canadian stock still has some room to catch up to its business fundamentals. All around, this company has diverse assets, a strong management team, a great balance sheet, and favourable tailwinds propelling growth ahead.

A value stock

Value stocks are often one's that have been temporarily beaten up by the market but have long-term, favourable business prospects. One Canadian value stock that looks interesting is **Magna International** ([TSX:MG](#))([NYSE:MGA](#)). It is one of Canada's largest manufacturers of outsourced vehicle parts.

Since May 2021, this stock has pulled back around 20%. Magna's production has unfortunately slowed due to supply chain challenges and a constrained supply of semi-conductors. While this a temporary challenge, there is significant pent-up demand for new vehicles.

That should boost earnings in the back half of 2022. Likewise, Magna is perfectly positioned as an electric vehicle production partner. This could be a major growth engine for Magna in the future and bodes well for the stock ahead.

A top Canadian income stock

[Dividend income](#) is a good way to offset stock market volatility in your portfolio. One Canadian stock that should do well in 2022 is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). It is one of North America's largest energy infrastructure businesses.

It also happens to pay one of the highest dividends on the **TSX**. Today, at \$49 per share, it pays a \$0.86 per share dividend every quarter. That is equal to a 7% dividend yield!

While a large portion of Enbridge's business comes from oil transportation, it is re-focusing on energy transition investments. This includes renewable power, natural gas infrastructure, and alternative energy solutions. Investors will collect a great dividend while the company works out this strategy.

A quality growth stock

Telus International ([TSX:TIXT](#))([NYSE:TIXT](#)) is exposed to a number exciting growth trends. Some of these include artificial intelligence, machine learning, digital transformation, and the internet of things. It is helping some of the largest corporations in the world digitize and streamline their customer experiences and relationships. This Canadian stock just completed its initial public offering in February of 2021.

This year TIXT is targeting +37% revenue growth and adjusted earnings-per-share growth over 30%. Despite that, this Canadian stock trades for only four times revenues and 16 times EBITDA. For a stock growing quickly, this appears to be an attractive valuation. Given the long tailwinds supporting growth, this stock should perform well for many years to come.

CATEGORY

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1. NYSE:BN (Brookfield Corporation)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:MGA (Magna International Inc.)
4. NYSE:TIXT (Telus International)
5. TSX:BN (Brookfield)
6. TSX:ENB (Enbridge Inc.)

7. TSX:MG (Magna International Inc.)
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