



TFSA Investors: 4 Canadian Stocks to Get You Started in 2022

Description

It's that time of year. January is when we all get some [contribution](#) room to add to our Tax-Free Savings Account (TFSA). But many Motley Fool investors want to know where to even begin.

Last year was crazy, and 2022 isn't likely to be much better when it comes to the pandemic. However, analysts do note there will be at least some return to normalcy. And that means getting in on strong companies while they continue through a pullback on the **TSX** today.

So, with that in mind, here are four Canadian stocks to consider for your TFSA in 2022.

Top tech

The tech pullback has left so many [amazing](#) companies on sale. But by far the best for our TFSA has to be **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). The pullback in this company leaves Motley Fool investors with a simple choice. Get in now or never. Shares are now down around \$1,450 as of writing. Those prices haven't been seen since around May of last year.

Analysts, meanwhile, see the company as having a target price of \$1,965 and see today's share price as a buying opportunity. This gives TFSA investors access to the growing world of Shopify payments, fulfillment centres, and its growing application. Merchants continue to rake in revenue. And even with supply chain demands, the company's year-over-year revenue growth remains far above any of its peers.

Shares of Shopify are slightly lower than they were a year ago on the TSX today and down 35% from all-time highs as of writing.

A big bank

You can't just put everything into the tech sector; that would be unwise. So, balance out your TFSA portfolio with a Big Six bank. I would choose **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) for a few

reasons.

BMO managed to bump its dividend with the rest of the Big Six banks but led the way with a 25% boost in its dividend. Motley Fool investors can now access a 3.72% yield for their TFSA on the TSX today. Meanwhile, earnings per share is expected to continue rising, with analysts expecting a rise of 8.6% by its next report.

Shares of BMO are up 45% in the last year but still trade at a valuable 12.52 earnings, with a consensus target price of \$156 by analysts.

EV boom

If you want in on the electric vehicle boom without the worry, then I would consider **Magna International** ([TSX:MG](#))([NYSE:MGA](#)) a solid option as well. True, the company continues to be weighed down by supply-chain demands and production problems from COVID-19. But these are short-term issues for long-term TFSA investors.

Instead, see the big picture. Realize that electric vehicles will need Magna for its electric products, in both EVs *and* internal combustion engine vehicles. Magna now trades far below its target price of \$127 at just \$108 as of writing. Furthermore, it too trades at a valuable 14.58 times earnings. Plus, you get a bonus 2.04% dividend yield.

Nutrien

Another industry that simply isn't going anywhere? Food. And a growing population means growing needs for arable land. That's where **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) comes in. The world's largest crop nutrient company continues to set records, especially with the growth of its online presence.

Now, Nutrien has finally started to reach its production capabilities. But then, Omicron sent the stock down to levels that TFSA investors shouldn't pass up. You can now pick up the stock at just \$88 — 15% lower than its consensus target price by analysts. Further, it trades at just 17.53 times earnings and offers a dividend yield of 2.67% for Motley Fool investors on the TSX today.

Foolish takeaway

Whether you're new to investing or just want some TFSA options, these four are a great place to get started. Each is going through a pullback on the TSX today not to be missed. Further, three of the four offer long-term dividends to use for reinvestment. All in all, it's a pretty sweet deal.

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2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)

2. NYSE:MGA (Magna International Inc.)
3. NYSE:NTR (Nutrien)
4. NYSE:SHOP (Shopify Inc.)
5. TSX:BMO (Bank Of Montreal)
6. TSX:MG (Magna International Inc.)
7. TSX:NTR (Nutrien)
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Date

2025/08/23

Date Created

2022/01/14

Author

alegatewolf

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