



2 Top ETFs to Buy This Month

Description

The Canadian stock market is full of investment opportunities ideal for various investment goals and financial objectives. Suppose that you want to generate significant long-term returns through your investment capital. In that case, creating a self-directed portfolio of [high-growth stocks](#) could be the right way to go.

However, high growth entails more capital risk during volatile market conditions. Focusing your investment capital on a narrow portfolio of growth-centric securities could result in losses you might not be willing to bear if they underperform. This is where [exchange-traded funds](#) (ETFs) can come in to mitigate some of that risk.

ETFs offer you exposure to a diversified basket of securities in the form of a single investment product. ETF investing in a fund that aligns with your investment goals gives you diversified exposure to securities without the hassle of monitoring each asset's performance and rebalancing your portfolio to align with your goals.

Today, I will discuss two funds you could consider based on the market environment right now for long-term growth.

BMO S&P TSX Equal Weight Banks Index ETF

BMO S&P TSX Equal Weight Banks Index ETF ([TSX:ZEB](#)) could be an excellent fund to consider in the current market environment if you're looking for growth-centric investments. BMO ZEB ETF is a fund that seeks to provide you with investment returns by tracking the performance of the Big Six Canadian Banks to replicate their performance to the best of its ability.

BMO ZEB ETF is a low-cost fund that aligns with its investment goals by tracking the performance of the Solactive Equal Weight Canada Banks Index. BMO ZEB ETF invests in and holds Canadian bank stocks in the same proportion as they are reflected in its benchmark index. BMO ZEB ETF boasts \$2.61 billion in assets under management (AUM), and it has a management expense ratio (MER) of 0.28%. The fund offers monthly distributions with an annualized distribution yield of 3.41%.

Vanguard Growth ETF Portfolio

Vanguard Growth ETF Portfolio ([TSX:VGRO](#)) is one of the best ETFs you could consider if you want to invest in growth while diversifying your investment capital across several securities to mitigate risk. Vanguard VGRO is a fund that invests in other funds focused on providing long-term capital growth through a portfolio of stocks and fixed-income securities.

The recent downturn in the broader equity market has led to a decline in its performance in recent weeks. At writing, the fund is down by 4.36% year to date. It is a low-cost fund that pays quarterly distributions to its shareholders with an annualized distribution yield of 1.88%. The fund boasts \$3.37 billion in AUM and an MER of 0.24%.

Foolish takeaway

The **TSX** boasts ETFs that align with various investment goals, either through an active management style or a passive management approach in which the fund simply tracks the performance of a benchmark index.

Suppose that you want to invest in an investment product that diversifies your capital across several securities to offer decent [long-term growth](#) and lower capital risk. In that case, BMO ZEB ETF and Vanguard VGRO could be viable investments for you to consider.

CATEGORY

1. Dividend Stocks
2. Investing

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1. TSX:VGRO (Vanguard Growth ETF Portfolio)
2. TSX:ZEB (BMO Equal Weight Banks Index ETF)

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