3 BlackRock ETFs to Buy in 2022

Description

I'm a big advocate of passive investing using exchange-trade funds (ETFs), especially those that track broad market stock indexes. There is ample evidence out there that shows holding a low-cost, globally diversified stock portfolio will beat the majority of stock pickers and day traders.

The lesson here is to keep your investing simple and boring. If you want excitement, go to the casino. While stock picking can be fun, it is also time consuming, stressful, and prone to underperformance. When it comes to a long-term, buy-and-hold mentality, using ETFs is an excellent way to invest for retirement.

Today, I'll be reviewing three great, low-cost ETFs from **BlackRock**, covering the worldwide, U.S., and Canadian stock markets.

Worldwide diversification

iShares Core Equity ETF Portfolio (TSX:XEQT) is possibly one of the best 100% equity ETFs available to Canadian investors, granting instant exposure to 9,593 stocks covering the entire world's investable market.

With XEQT, you never have to try and time which stocks will do well, which market cap will gain more, which sector will outperform, or which country will pull ahead. It holds large-, medium-, and small-cap stocks from every sector and nearly every country around the world.

Currently, XEQT also pays an annual dividend yield of 2.40% and has assets under management (AUM) of $994 million. The fund costs a management expense ratio (MER) of 0.20% to hold, which is extremely affordable for an all-in-one ETF portfolio that re-balances itself.

Betting on U.S. tech

Canadian investors bullish on large-cap U.S. tech growth stocks can buy **iShares NASDAQ 100 Index ETF**

(TSX:XQQ). With over $1.9 billion AUM, this ETF is the largest of its kind in Canada.

XQQ focuses on the 100 largest stocks listed on the **NASDAQ Exchange**. As a result, XQQ is heavily concentrated in the U.S. tech sector, which makes up 50% of the ETF. For this reason, XQQ is capable of delivering high returns, but with more volatility and risk.

Currently, holding XQQ will cost you a 0.39% MER, which is pricey for a passively managed index ETF, but not more so than other Canadian competitors tracking the same underlying holdings.

Betting on Canadian dividends

Canadian investors favouring a dividend growth strategy should look into **iShares S&P/TSX Composite High Dividend Index ETF** (TSX:XEI), which holds 76 Canadian stocks characterized by high dividend yields.

XEI is heavily weighted in the financials (29.95%) and energy (32.04%) sectors, which is expected given the plethora of high dividend paying stocks represented there. Overall, it resembles the broader Canadian market.

Currently, XEI costs a MER of 0.22% to hold, which is costlier than broad indexes but not expensive for a specialty fund. The 12-month dividend yield stands at a respectable 3.43%, and should be reinvested to compound gains.

The Foolish takeaway

You can't go wrong with any of these three ETFs. Consistently buying, reinvesting dividends, and holding them for the long term can set you up nicely for retirement. BlackRock has done a fantastic job of keeping fees low and holdings diversified for investors.

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2. TSX:XEQT (iShares Core Equity ETF Portfolio)
3. TSX:XQQ (iShares NASDAQ 100 Index ETF (CAD-Hedged))

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