



1st-Time Investors: Top TSX Stocks to Buy Right Now

Description

Russia-Ukraine tensions have roiled the global financial markets this year. In addition, rising interest rates pose another serious challenge for stocks in 2022. So, is it really a good time to start investing?

The recent streak of market volatility put even seasoned investors into a quandary. But new investors should understand that volatility is the fundamental characteristic of stocks. If you wait for the Russia-Ukraine war to resolve, some other trouble will weigh on stocks.

So, the point is to make the most of volatility. That's why they say volatility is long-term investors' friend. When broad market volatility is high, some stocks typically see an outsized impact, which makes them swing significantly higher around their intrinsic values.

For example, Canadian tech giant **Shopify** fell from \$2,220 to \$650 levels in just four-odd months. Who would have imagined last year that the country's best wealth creator since 2015 would see such a deep dig in investors' pockets? However, it could be an attractive pick for value investors today.

Investing in stocks is not about shunning the risk but about managing it. Note that extending your time horizon from a few months to years to a few decades will meaningfully lower the [volatility risk](#). In addition, it will significantly compound your money with a robust reserve for your sunset years.

Here are such TSX stocks that you can consider for long-term investing.

Air Canada

Canada's largest passenger airline **Air Canada** ([TSX:AC](#)) is placed well to be the winner when the travel resumes post-pandemic. It is a well-run airline with superior operational efficiency, leading market share, and a strong balance sheet. Air Canada had a relatively robust liquidity position throughout the pandemic that helped it emerge powerfully from the catastrophe.

If you have a multi-year time horizon, AC should be on top of your watchlist. Its financial performance has shown a consistent recovery since the last couple of quarters. Though the bottom line is still

negative, steep revenue growth and lowering cash burn have been quite encouraging.

I don't see AC stock climbing to record levels in the next few quarters. But it will still be a [consistent compounder](#) over the next few years post-pandemic.

Canadian Natural Resources

Canada's biggest energy producer **Canadian Natural Resources** ([TSX:CNQ](#))([NYSE:CNQ](#)) is my next pick for long-term investors. It possesses high-quality, low-decline oil reserves that will drive its top line for years to come. Also, the latest energy price rally makes a strong case for [energy stocks](#), despite their rally since 2021.

CNQ stock has doubled since last year and currently pays a stable dividend yielding 3.8%. Energy companies, including CNQ, will continue to see a massive earnings expansion in the next few quarters. Thus, strong financial growth, along with undervalued stocks, make them even more appealing in the current markets.

Dollarama

Canadian value retailer **Dollarama** ([TSX:DOL](#)) is another attractive bet for an all-weather portfolio. It has seen stable financial growth in the last decade, which was well reflected in its stock price.

Dollarama's wide presence compared to peers has been the vital aspect behind its growth all these years. It operates around 1,400 stores in Canada and plans to expand to 2,000 this decade.

Whether it be a recession or an economic boom, Dollarama keeps growing at a stable pace, driven by its stable business model. So, if you are looking for decent growth with a relatively lower risk, DOL stock is one of the apt picks.

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2. TSX:AC (Air Canada)
3. TSX:CNQ (Canadian Natural Resources Limited)
4. TSX:DOL (Dollarama Inc.)

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Author

vinitkularni20

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