



## 2 Top TSX Stocks for Newbie Investors

### Description

Newbie investors can't be risk takers, although they have equal chances of [making money on the stock market](#) like seasoned traders. The key to a successful baptism of fire is the choice of investments. Warren Buffett, the GOAT of investing, reminds people to be rational. His advice is to not invest in businesses you can't or don't understand.

If you're a first-timer on the TSX, **TELUS** ([TSX:T](#)) ([NYSE:TU](#)) and **Rogers Sugar** ([TSX:RSI](#)) are excellent choices. They are established entities whose products and/or services are essential or everyday needs. The former is Canada's second-largest telecommunications company, while the latter is the top producer of sugar — a consumer staple.

More importantly, both are defensive stocks and dividend payers. There's potential for capital gain on top of the recurring income streams from the quarterly payouts. The businesses will endure regardless of the economic environment.

### A Dividend Aristocrat

TELUS is one of three companies that dominate the telco industry. The \$45.64 billion company generates billions of dollars in revenue annually. In 2021 (year ended December 31, 2021), operating revenues and other income increased 20% to \$4.87 billion versus 2020.

Full-year net income soared 144.6% to \$663 million compared to the previous year. Darren Entwistle, TELUS president and CEO, said, "Throughout 2021, TELUS achieved strong operational and financial results across our business. This is a trend the TELUS team has demonstrated over the long term."

In Q4 2021, the 960,000 total net customer additions were a new all-time record. According to Entwistle, TELUS ended another year of industry-leading customer growth. The 255,000 fixed customer growth was also the best ever and reflects the potency of TELUS's expansive PureFibre network capabilities, according to Entwistle.

**TELUS International** also reported strong double-digit revenue and profitability growth in Q4 2021.

The subsidiary's financial results surpassed its financial targets for 2021. By year-end 2022, management expects to ramp down its accelerated broadband build.

With the material decline in capital expenditures, TELUS can support sustainable cash flow generation in 2023 and commit to a transparent dividend-growth program.

TELUS is a [Dividend Aristocrat](#) whose dividend-growth streak is 18 consecutive years. The company increased its dividend by 5.3% in Q4 2021. If you invest today, the share price is \$33.31 (+12.92% year to date), while the dividend offer is 3.93%.

## Low price and high yield

Rogers Sugar is considerably cheaper (\$6.18 per share) than TELUS, but the dividend yield (5.83%) is significantly higher. A \$6,000 position will generate \$349.80 in extra income annually or \$87.45 every quarter. In a [TFSA](#), the entire payout is tax free.

The \$641 million sugar and maple producer experienced volume declines in Q1 2022 versus Q1 2021. Nonetheless, revenue and net earnings increased 3.09% and 25.07% compared to the same period in the preceding year. Free cash flow increased 5.04% to \$41.12 million.

Mike Walton, president and CEO of Rogers and Lantic Inc., said "We felt greater volatility in customer demand and experienced some unforeseen events impacting our supply chain in Western Canada in the last few weeks of the quarter." Still, management maintains a positive financial outlook for the remainder of 2022.

## Fewer worries

Newbie investors should have fewer worries taking positions in TELUS and Rogers Sugar. The respective businesses and stocks should hold up well amid the market uncertainties.

### CATEGORY

1. Investing

### POST TAG

1. Editor's Choice

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