



3 Popular TSX Stocks: Which Would I Buy for My Retirement Portfolio?

Description

[Choosing the right stocks](#) to hold in a retirement portfolio is no easy task. Investors need to consider which stocks have the potential for growth, while not being overly risky. There are many popular stocks that investors often hold in retirement portfolio. But should they?

In this article, I'll look at **Canadian Pacific Railway** ([TSX:CP](#))([NYSE:CP](#)), **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), and **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)). Which stocks would I buy for my retirement portfolio?

Should you hold Canadian Pacific in a retirement portfolio?

Canadian Pacific is one of the largest railway companies in North America and the second largest in Canada. This is true in terms of the size of its rail network and revenue. Canadian Pacific operates rail which stretches from British Columbia to Quebec. It also operates rail in the United States as far south as Missouri.

In recent years, Canadian Pacific has focused on acquisitions. In 2020, the company acquired the Central Maine and Quebec railway, which enabled Canadian Pacific to gain exposure to the Atlantic region.

More recently, the company [agreed to acquire](#) Kansas City Southern in a US\$27 billion deal. This makes Canadian Pacific the first railway company to operate rail in Canada, the United States, and Mexico. It also increases Canadian Pacific's rail network to more than 32,000 km of track.

Canadian Pacific is known as a Canadian Dividend Aristocrat. It has managed to increase its dividend in each of the past five years. Although its forward yield is quite low (0.78%), so is its payout ratio. This low payout ratio gives Canadian Pacific some security in its dividend and allows it the option to continue increasing its distribution in the future. Canadian Pacific is a stock that I think would serve investors well in a retirement portfolio.

The case for Shopify

I believe Shopify is another stock that investors should consider for their retirement portfolio. It's a leader in the global e-commerce industry. Despite already being as large as it is, it could become even larger in the future. On a global scale, e-commerce penetration is still very low. As consumers continue to become more accustomed to online retail, companies like Shopify should see an increase in traffic. This could result in greater revenues and earnings over time, and a higher stock price.

Shopify is an interesting stock. It's clearly still in its high-growth stage, but many already consider it a blue-chip stock. In fact, the company is included in the **S&P/TSX 60**, which is a list of 60 large companies that lead important Canadian industries. Because it's recognized as a cornerstone company in the Canadian economy, I believe it would be a suitable stock to hold in a retirement portfolio. I would note that investors with shorter investment horizons should keep this as a smaller position, as Shopify stock can be very volatile.

Is Nuvei an appropriate stock for this kind of portfolio?

Nuvei is a company that has been in the headlines a lot since its IPO. In terms of the good news, investors first took note of Nuvei when it closed the largest tech IPO in Canadian history. Nuvei stock followed that up by gaining more than 270% over the next year. However, a short report released in December 2021 crashed the stock more than 50%. Today, Nuvei still trades more than 40% lower than its all-time highs, despite having gained more than 70% in the past month.

Nuvei is an up and comer in the payments industry. It's present in more than 200 global markets and accepts 150 currencies and over 530 payment methods. Despite these positives, I think it's a stock that most investors should avoid adding to a retirement portfolio for the time being. This is because the stock is still perceived negatively by many. I believe Nuvei could be a great stock to hold in the long run, but, over the next year, it could be a lot more volatile than many investors may be able to stomach.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:CP (Canadian Pacific Railway)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:CP (Canadian Pacific Railway)
5. TSX:NVEI (Nuvei Corporation)
6. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. jedlloren
2. kduncombe

Category

1. Investing

Date

2025/08/24

Date Created

2022/04/05

Author

jedlloren

default watermark

default watermark