



New to Investing? Buy These 3 Blue-Chip Stocks to Help You Get Started

Description

Today's a great day to be a new investor. The adage goes, "The best day to start investing was yesterday. The second-best day is today." Experienced investors may be able to tell you how true that is. One of the most common wishes among investors is that they had started sooner.

Now that you've got your foot in the door, you may be wondering, "How do I even begin?" That's a great question. In my opinion, new investors should look at [blue-chip stocks](#). These tend to be mature and established companies with large moats. This leadership position generally lends itself to steadier growth and a less-volatile stock.

Investors can find many blue-chip stocks by looking at the companies included in the **S&P/TSX 60**. This is a list of 60 large companies that lead important industries within Canada. In this article, I'll discuss three blue-chip stocks that could help a new investor get started today!

Buy one of the Big Five banks

Canadians should be very familiar with the Big Five banks. These companies are commonly found across the country, serving a large portion of the Canadian population. Because of the familiarity that Canadians have with these five banks, it makes it an easy company to hold in your portfolio. You should be able to easily understand the company's business model and identify competitors. Investors should note that the highly regulated nature of the Canadian banking industry makes it difficult for smaller banks to displace the industry leaders. This makes the Big Five even more appealing.

Of that group, **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) is my top stock. It's uniquely positioned compared to its peers because of its focus on establishing an international presence. In particular, Bank of Nova Scotia has a large presence in the Pacific Alliance. This region includes the countries of Chile, Columbia, Mexico, and Peru. It's been forecasted that the economies in those countries could grow at a much faster rate than that of Canada and the United States in the coming years. If that happens, Bank of Nova Scotia could see tremendous growth.

This is an important company for Canada's economy

It's often said that the railway industry is the backbone of Canada's economy. It very well may be true. As it stands, we have no way of transporting large amounts of goods over long distances if not via rail. That's why **Canadian National** ([TSX:CNR](#))([NYSE:CNI](#)) is a stock that you should consider for your portfolio. Currently, Canadian National operates the largest rail network in Canada. Its track spans nearly 33,000 km.

Canadian National is also an excellent dividend company. It holds a dividend-growth streak of 25 years, putting it in an elite group of TSX stocks. Although Canadian National's dividend yield is quite low (1.80%), so is its payout ratio. That suggests that the company could continue to comfortably increase its dividend in the future.

A financial company for your portfolio

Finally, investors should consider buying shares of **Brookfield Asset Management** ([TSX:BAM.A](#))([NYSE:BAM](#)). It is one of the largest alternative asset management firms in the world, operating a portfolio with more than \$690 billion of assets under management. Through its subsidiaries, Brookfield has exposure to the infrastructure, real estate, renewable energy, and private equity markets.

Brookfield is led by its long-time CEO Bruce Flatt, who often draws comparisons to Warren Buffett. Both executives are known for their value investing styles, long tenures as CEO, and large ownership stakes. As long as Flatt remains at the head of Brookfield, I would be confident in [this company](#) continuing to succeed.

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2. NYSE:BNS (The Bank of Nova Scotia)
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