



3 Blue-Chip TSX Stocks for Beginners to Buy Right Now

Description

If you are new to investing, including blue-chip stocks in your long-term portfolio will make a world of difference. Blue-chip stocks are some of the biggest, most reputable names in the sector, with consistent financial performance. Here are three top blue-chip TSX stocks that offer handsome growth potential.

Toronto-Dominion Bank

The Canadian central bank is rapidly increasing its benchmark interest rates; how investors can benefit from it? They can buy bank stocks. Rising rates generally increase banks' net interest margin, ultimately boosting their bottom lines. Canada's second-largest bank, **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), is well placed to play the ongoing economic growth with its scale and a robust presence in the U.S.

The bank has one of the longest dividend payment streaks of 164 consecutive years. It currently yields 3.8%, which is equal to its peers. For example, investing \$10,000 in TD stock today will pay \$380 in dividends annually. The dividend amount will increase, as the bank manages to increase its net income.

TD stock has returned 16% in the last 12 months. TD stock could be an attractive total return candidate for long-term investors with strong earnings-growth potential and [stable dividends](#).

Tourmaline Oil

As natural gas prices increase, Canadian gas producers and investors are having a gala time. Canada's biggest natural gas producer **Tourmaline Oil** ([TSX:TOU](#)) is sitting strong, with 170% returns since last year.

Since the pandemic, the scale, higher gas prices, and increased operational efficiency have remarkably benefitted Tourmaline's financials. In addition, its higher free cash flows let the company increase shareholder payouts and issue special dividends. Interestingly, the company is still flush with

cash, so investors can expect more cash distribution in the coming quarters.

[Natural gas prices](#) have been substantially strong so far this year relative to 2021. This will likely have a massive positive impact on gas producers' earnings — at least for the first half of 2022.

Although Tourmaline stock is trading at its all-time highs, it still makes sense to consider it for the long term. The stock offers handsome growth potential, driven by its superior earnings-growth prospects and decent dividends.

BCE

Canada's biggest telecom operator **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is my third pick for beginners. Telecom companies like BCE have a stable earnings profile, allowing stable [dividend](#) payments for shareholders. BCE stock currently yields 5%, which is higher than TSX stocks on average.

BCE will likely see accelerated earnings growth, as 5G normalizes in the next few years. Its expanded network and one of the biggest subscriber bases place it on a strong footing ahead of the 5G race.

BCE stock has returned 30% in the last 12 months and 70% in the last five years. If you are looking for low-risk, stable returns and decent dividend income, BCE should be on top of your watchlist.

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1. Investing
2. Stocks for Beginners

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2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BCE (BCE Inc.)
4. TSX:TD (The Toronto-Dominion Bank)
5. TSX:TOU (Tourmaline Oil Corp.)

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