



3 Top Canadian Stocks for Beginners in April 2022

Description

If you are new to investing, market downturns can be great opportunities to invest in Canadian stocks. New investors get to build their portfolios when stocks are cheap and valuations are depressed. As a result, the upside out of the downturn can be impressive.

Over the long term, stocks do very well

Investing requires a long-time frame. I can't promise your investments will turn positive as soon as you buy them. The reality is often the opposite. Returns in the short term can be volatile and unpredictable.

Unfortunately, timing the stock market in the short term is impossible. Yet over long periods (five or more years), stocks rise more than they fall, and they can quickly recover their losses.

If you aren't afraid to [start investing](#) in these challenging times, here are three Canadian stocks that make a great diversified base for any new investor.

A top Canadian infrastructure stock

Every Canadian should have some [dividend stocks](#) in their portfolio. Regular dividend income helps to offset some of the temporary ups and downs of the market. One stock that I particularly like for dividends is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)).

It operates a large and diverse portfolio of core infrastructure assets around the world. These assets include railroads, ports, pipelines, power lines, networks, and data centres. Most of these assets are contracted or regulated, so BIP collects reliable and predictable streams of cash. Over 70% of its assets are inflation-indexed, so it gets a rate boost when inflation is soaring like it is today.

Over the past 10 years, BIP has increased its distribution by around 10% a year. It yields a 3.2% distribution right now. The company is growing organically faster than most utilities, and it still has ample cash and debt capacity for further acquisitions. While the stock is up this year, it has [plenty of upside](#)

in the years to come.

A top Canadian financial stock

Another great staple Canadian stock to buy and hold for the long-term is **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)). It is the parent/manager of Brookfield Infrastructure. It collects fees and incentives for managing its publicly listed subsidiaries. Likewise, it manages money and assets for a wide array of institutional clients.

The company collects fees from a diverse array of alternative assets, including real estate, renewable power, infrastructure, private equity, insurance, and distressed debt. With Brookfield, investors get a diversified platform that has compounded returns at about a 20% annual rate over the past decade. This Canadian stock has recently pulled back and is presenting attractive value today.

A top growth stock

Keeping the theme of “B” stocks, **BRP** ([TSX:DOO](#))([NASDAQ:DOOO](#)) is an attractive growth stock to buy at a very reasonable price. BRP manufactures and distributes all-terrain vehicles, motorcycles, and marine vehicles. The company has been accelerating new product launches and expanding the diversity of its offering.

As a result, it has seen a surge in demand for its innovative outdoor recreational vehicles. Last year, BRP grew revenues and normalized earnings per share by 28.5% and 84%, respectively! That growth rate is expected to slow, but its outlook remains robust for the coming years.

This Canadian stock only trades for nine times earnings. Despite strong growth, it trades at an attractive discount to peers. For value and growth, BRP is a great long-term stock for beginner investors.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NASDAQ:DOOO (BRP Inc.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. NYSE:BN (Brookfield Corporation)
4. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
5. TSX:BN (Brookfield)
6. TSX:DOO (BRP Inc.)

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