Want Your Money to Make More Money? Start Investing in Q2 2022

Description

The **Toronto Stock Exchange** isn't in a bull run, although its irrepressible performance in 2022 makes investing conducive, even to first timers. If you want your money to make more money, now is the time to start investing. While risks are ever present, established dividend payers will not disappoint Canadian investors.

Among the ideal stocks for beginners are **Bank of Montreal** (TSX:BMO)(NYSE:BMO) and **Pembina Pipeline** (TSX:PPL)(NYSE:PBA). For newbies with limited budgets, **Diversified Royalty** (TSX:DIV) is a price-friendly, high-yield dividend stock.

Visible growth in the U.S.

Canada's fourth-largest bank has a mean dividend track record. BMO is the TSX's dividend pioneer — the first company ever that shared a portion of profits with shareholders through dividend payments. The practice began in 1829, and the record is seven years shy of 200 years.

If you invest today, the big bank stock trades at $142.43 per share. Current investors are up 5.55% yesterday and partakes of the 3.74% dividend. The quarterly payouts should be safe and sustainable, as the payout ratio is below 40%.

Like **Royal Bank of Canada** and **Toronto-Dominion Bank**, this $97.17 billion lender is in expansion mode. Superb growth is on the horizon with BMO's upcoming merger with the Bank of the West in the United States. It sold 20.8 million common shares recently and raised $3.1 billion.

BMO will use its excess capital plus the gross proceeds from the sale to purchase a top regional bank across the border. While the US$16.3 billion deal is a huge bet, it's a strategic acquisition. Canada's oldest bank will gain instant presence in key growth markets and expand its U.S. footprint to 32 states.

Rating upgrade

Pembina Pipeline is the top-of-mind choice of investors desiring monthly dividend payments. Apart from the generous 5.11% dividend yield, you can reinvest the dividends 12 times in a year, instead of four, to realize the power of compounding. The energy stock trades at $49.87 per share and outperforms with its 31.92% year-to-date gain.

The $27.44 billion transportation and midstream services company is also a Dividend Aristocrat. Pembina's dividend-growth streak is 10 consecutive years. This pipeline operator wants nothing more than to be the leading provider of integrated energy infrastructure solutions in the energy industry.

On April 12, 2022, Credit Suisse Group upgraded its neutral rating for Pembina Pipeline to outperform. **BNS** also maintain its sector outperform rating for the top-tier energy stock.

Returning to normal

Diversified Royalty isn't in the league of BMO and Pembina, but it's an awesome pick, nonetheless. The share price is ridiculously cheap ($3.10), while the dividend yield is an over-the-top 7.12%. Is the dividend payment safe? Thus far, there are no signs of a dividend cut whatsoever.

The revenue of this $387.29 million multi-royalty company comes from the royalties it collects from royalty partners like Mr. Lube and AIR MILES. Sutton, Mr. Miles, Nurse Next Door, and Oxford Learning Centres complete the entire royalty pool. You can expect royalty streams to grow and be predictable again, as the businesses return to normal.

Beat inflation

While the central works to bring down inflation to its control range, investment income or dividends can help investors cope with rising prices.

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2. Stocks for Beginners

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3. TSX:BMO (Bank Of Montreal)
4. TSX:DIV (Diversified Royalty Corp.)
5. TSX:PPL (Pembina Pipeline Corporation)

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