



## If You Buy 1 Stock, Make it This 1

### Description

Sometimes we underestimate just how overwhelming the market can be. Investors that are new to the world of investing are often taken aback by tales of “buying \$30,000” or more of a particular stock as part of a larger portfolio. But where should [new investors start](#)? If there was the option to buy one stock, which one should we start with?

Let me try to answer that question, and it really isn't that overwhelming.

## If you buy one stock, buy this one

A great stock to start your portfolio with is **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)), and there are several reasons why.

First, Fortis is a great business to invest in. Fortis is one of the largest utilities on the continent. In short, utility stocks are low-risk, defensive investments that generate a stable stream of revenue. That recurring reliable revenue stream translates into a secure dividend that can help grow your portfolio further.

Fortis's operations are scattered across 10 operating regions in Canada, the U.S., and the Caribbean. This makes the company a \$58 billion behemoth on the market that boasts 3.4 million utility customers.

Fortis's incredible business leads to my second point. Utility service is a necessity, but unlike other necessities like food, we can't opt for less-expensive power options. The sheer necessity of that service makes Fortis a great defensive pick.

Fortis's business is also backed by long-term regulatory contracts that can span decades. In other words, for as long as Fortis keeps providing power, the company will be paid as per those contracts. That's the perfect definition of an investment to put on autopilot.

But there's still more to love — let's talk dividends.

Fortis offers investors a quarterly dividend, and the current yield works out to an impressive 3.30%. Adding to that appeal further is Fortis's tradition of providing an annual uptick to that dividend. Fortis has provided those increases for an incredible 48 consecutive years.

This makes Fortis one of the better-paying options for new investors looking to buy one stock. It also sets Fortis on course to become one of the only Dividend Kings on the market when that 50-year milestone is hit within the next two years. That factor alone should be appealing to investors looking to buy one stock and set it on autopilot.

## Fortis is a great stock, but where do I start?

One of the best things about starting to invest early is that you can put a small amount aside that you won't miss, and then let your portfolio grow. Even better, Fortis's juicy dividend payments can be reinvested to further grow your future nest egg.

The key here is to start small and let those dividends work their compounding magic. We often mention allocating \$20,000 or even more, but you could in fact start on a much smaller scale.

Let's take a \$175 investment in Fortis every month for a year, which adds up to \$2,100. That upfront investment is all it takes for your Fortis position to gain another share through dividends with each passing year (or less, as once you get going and the magic of compounding starts to take off).

Throw in Fortis's annual dividend uptick, and you will have a sizable investment that [generates a healthy income](#) much sooner than you realize.

In other words, if you need to buy one stock to start your portfolio off, make it Fortis.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. TSX:FTS (Fortis Inc.)

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