



New Month, New You? Here Are 3 Stocks New Investors Should Buy Today

Description

With the new month ahead, many Canadians are trying to start good habits to get things off on the right foot. One aspect of their lives that many Canadians may be hoping to improve is to become more responsible with their finances. One way to do that is by starting an investment account. Of course, this is only the start of a very long (and hopefully educational) journey.

In this article, I'll discuss three stocks that new investors should buy today. Sticking to the philosophies discussed here could help you become financially independent in the future.

Look for established companies that you're familiar with

If you're [starting from scratch](#), it could be hard to think of which companies you should hold in a portfolio. The advice that I would give any new investor, is to think of all of the companies that you interact with on a daily basis. These companies have proven that they influence Canadians in a major way, and thus could be solid cornerstone positions in your portfolio. An example of a good company to consider would be the company you bank with.

We'll use **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) as an example here. It's the third-largest bank in Canada with respect to assets, revenue, and market cap. However, what makes it stand out from its peers is its focus on international growth. Nearly a third of Bank of Nova Scotia's earnings come from sources outside of Canada. This diversification in its business not only gives it massive growth potential but also provides stability during economic downturns.

A great company you should consider

Sticking to the theme of recognizable companies, I have a hard time imagining any Canadian that wouldn't be familiar with **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)). Operating nearly 33,000 km of track, it's the largest railway company in Canada. Its rail network spans from British Columbia to Nova Scotia.

Canadian National is an interesting company because of its top-notch ability to pay dividends. For those that are unfamiliar, these are regular payments made from the company to shareholders as a benefit for holding shares of the company. Canadian National has managed to increase its dividend distribution in each of the past 25 years. Only 10 other companies listed on the **TSX** currently hold dividend-growth streaks of 25 years or more. That makes Canadian National an elite company in that regard.

Focus on companies that operate in recession-proof industries

As a new investor, you don't want to put money into risky positions. With that said, you should look into companies that have a solid chance of making it through periods of economic uncertainty. One way to do that is by looking at companies that operate in recession-proof industries. These are industries that don't tend to see a major disruption during recessions.

For example, **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) would be an excellent company to consider. It provides regulated gas and electric utilities to 3.4 million customers across Canada, the United States, and the Caribbean. Like Canadian National, Fortis is an excellent dividend stock. It has increased [its dividend distribution](#) in each of the past 47 years. That gives it the second-longest active dividend-growth streak in Canada.

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2. NYSE:CNI (Canadian National Railway Company)
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