



New Investors: Buy These 3 Dividend Stocks Today

Description

Taking control of your finances is one of the greatest things you can do. The sooner you get started, the sooner you could reach financial independence. However, now that you've begun your investment journey, you may be wondering "Where do I even start?" I believe new investors should stick to [dividend](#) stocks. Although these stocks won't produce life-changing returns over a short period, they could still beat the market in the long term. In addition, dividend stocks tend to be less volatile, which can be appealing to new investors.

Buy one of the banks

Investing in one of the Big Five banks could be a great place to start. These five companies have established very formidable moats, making it difficult for smaller competitors to displace them from their leadership positions. Although all five companies are great stocks to consider, I would pick **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) if only asked to pick one.

An excellent dividend stock, it has been paying shareholders a dividend in each of the past 189 years. Bank of Nova Scotia is also known as a Canadian Dividend Aristocrat, after having increased its dividend distribution over the past 11 years. Currently, it pays shareholders a dividend of \$1 per share. That represents an 11% increase from its quarterly dividend in 2021.

Another financial institution for your consideration

The Canadian financial sector contains many strong and established companies. That may be why the financial sector represents the largest portion of the **S&P/TSX Index**. Within that broad sector, Canadians should consider investing in **Brookfield Asset Management** ([TSX:BAM.A](#))([NYSE:BAM](#)). [This company's portfolio](#) is composed of \$690 billion in assets under management. That makes it one of the largest alternative asset management firms in the world.

Like Bank of Nova Scotia, Brookfield is listed as a Canadian Dividend Aristocrat. It has increased its dividend distribution in each of the past nine years. It should also be noted that Brookfield's dividend-

payout ratio is very low (21.8%). This suggests that the company could continue to comfortably increase its dividend in the coming years. That's an important characteristic to keep in mind when looking for dividend stocks to add to your portfolio.

This grocery stock is a great option

Investing in grocery companies would also be a good option. These companies are constantly relied upon by consumers. As a result, you could remain confident in the fact that these companies will continue to receive a steady source of revenue. **Metro** ([TSX:MRU](#)) is an excellent company to consider. The third largest grocer in Canada, it operates about 650 locations around the country. Grocery stores operated by this company include its namesake Metro stores, Super C, Food Basics, and Marché Richelieu.

Metro is also listed as a Canadian Dividend Aristocrat. It has increased its dividend in each of the past 26 years. That makes it one of nine Canadian companies to hold that distinction. Like Brookfield, Metro's payout ratio is very low (22.2%). The company could continue to raise its dividend in the coming years.

CATEGORY

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2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BN (Brookfield)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:MRU (Metro Inc.)

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