



New Investors: 3 Stocks to Help You Get Started Today

Description

So, you've finally decided to start investing. Congrats! That's a great first step towards achieving financial independence. Now comes the hard part. How do you choose [the right stocks](#) to hold in your portfolio? I would suggest looking at companies that you're familiar with. This would allow you to spend less time figuring out what the companies do and more time on learning different portfolio-allocation strategies that suit your needs and investment style. Here are three stocks that could get you started today.

Choose one of the Canadian banks

When it comes to recognizable companies in Canada, the banks should come to mind right away. Across the country, the banking industry is dominated by a group known as the Big Five. These banks have established very formidable moats, which have come as a result of decades of dominance within the industry. I believe that investors could do well by simply choosing the bank that they rely on for their financial needs.

However, if I had to choose one company, it would be **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)). This bank separates itself from its peers in that it has focused on its international growth. In 2021, Bank of Nova Scotia reported that nearly a third of all its earnings came from sources outside Canada. In addition, Bank of Nova Scotia is an [excellent dividend company](#). It has paid investors a portion of its earnings for the past 189 years.

Invest in the railway industry

Canadians should also consider investing in the railway industry. Just as that industry served as the backbone of the country, spurring growth over the past decades, it could serve a similar role in your portfolio. The Canadian railway industry is dominated by two companies. The larger entity in this duopoly is **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)). With nearly 33,000 km of track in its network, this company is also known as one of the largest railway companies in North America.

Canadian National is another excellent dividend stock. With a dividend-growth streak of 25 years, it's listed as a Canadian Dividend Aristocrat. Only 10 other companies in Canada have managed to increase their dividend for as long as Canadian National has. This is an elite company in that regard.

This company is well known around the country

Finally, investors should consider investing in the grocery industry. The Canadian grocery industry is dominated by a small handful of companies. The one that interests me the most is **Metro** ([TSX:MRU](#)). Under its Metro, Food Basic, Super C, and Marché Richelieu banners, this company operates over 900 locations across the country.

Like the other two companies listed in this article, Metro is an outstanding dividend stock. It has managed to increase its dividend distribution in each of the past 26 years. Despite those continued increases, Metro's dividend-payout ratio stands at 22%. That suggests that the company could continue to comfortably raise its dividend over the coming years.

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TICKERS GLOBAL

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2. NYSE:CNI (Canadian National Railway Company)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:CNR (Canadian National Railway Company)
5. TSX:MRU (Metro Inc.)

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