



3 Blue-Chip Stocks New Investors Should Buy Today

Description

It wouldn't be outrageous to think that new investors are a little hesitant to pour new money into the stock market today. This is because the market has been very volatile for the past year or so. During times like these, I would suggest that new investors stick to buying shares of blue-chip companies. It's not that these stocks won't fall from time to time, but that those companies stand the best chance of surviving in the long run. Here are three [blue-chip stocks](#) new investors should buy today.

Buy one of the banks

My first recommendation for new investors is to consider buying one of the banks. The Canadian banking industry is highly regulated, which makes it a relatively safe area to invest in. The companies that lead the industry have also managed to establish formidable moats over the past hundred years. This makes it very hard for smaller competitors to displace their position atop the industry. In addition, the [rising interest rates](#) make this a very good environment to be investing in financial institutions.

Of all the Canadian banks, my top pick is **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)). What interests me about this company is its focus on international growth. In 2021, nearly a third of its earnings came from sources outside of Canada. Bank of Nova Scotia is also an excellent dividend stock. It has paid shareholders a portion of its earnings in each of the past 189 years.

Another financial institution for your portfolio

If you look at the Canadian stock market, you'll notice that a large proportion of that is represented by financial institutions. Although that doesn't really lend itself to the most exciting companies, this does give investors many opportunities to buy shares of *stable* companies. Another financial institution that new investors should consider buying today is **Brookfield Asset Management** ([TSX:BAM.A](#))([NYSE:BAM](#)).

With about \$725 billion of assets under management, Brookfield is one of the largest alternative asset management firms in the world. Through its subsidiaries, it has exposure to the infrastructure, real

estate, renewable energy, and private equity markets. Brookfield is also known for its CEO. Bruce Flatt, who's often referred to as Canada's Warren Buffett, may be one of the greatest investors of his time.

Invest in this reliable company

Finally, investors should consider buying shares of **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)). Known as Canada's largest railway company, Canadian National operates nearly 33,000 km of track. Its rail network spans from British Columbia to Nova Scotia and reaches as far south as Louisiana.

Canadian National is also known as a Canadian Dividend Aristocrat. It has managed to increase its dividend distribution in each of the past 25 years. That makes it one of only 11 **TSX**-listed companies to reach that milestone. Currently, there isn't a viable way to transport large amounts of goods over long distances, if not via rail. With that in mind, and the positives that come with an investment in Canadian National, this seems like a no-brainer for new investors today.

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