



3 Stocks to Buy After the Market Selloff

Description

The broad-based rally of the **TSX** to start this week could be a signal that the market selloff is over. Ten of its 11 primary sectors advanced on June 20, 2022. The communication services, financials, and consumer staples sectors were among the sectors that bounced back from a nasty fall last week.

If you're new to the equities market, consider investing in one company from each of the three advancing sectors. **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)), and **North West Company** ([TSX:NWC](#)) are buying opportunities for [newbie investors](#).

Evolution of next-gen communications

BCE is down by only 2.07% year to date after gaining by 1.28% on Monday. At \$62.72 per share, the trailing one-year price return is +8.65%. If you invest today, Canada's largest telco pays a juicy 5.94% dividend. Given BCE's lengthy dividend track record (140 years) and dividend-growth streak (13 consecutive years), the payouts should be consistent and growing for decades to come.

The \$57.18 billion telecommunications and media company is also the top 5G stock to buy today. On June 15, 2022, management announced that Bell will unleash the next phase of BCE's 5G advancement. Stephen Howe, Bell's chief technology and information officer, said, "It's a significant milestone in the evolution of next generation communications in Canada, and we're proud to lead the way."

BCE's primary objective is to continue the expansion of its 5G network to connect more people in communities, large and small, across the country. Currently, Bell 5G covers 75% of Canada's population.

U.S. commercial banking expansion

BMO can endure economic downturns and Canada's oldest bank has proven it historically. The market capitalization stands at \$85.77 billion, which makes it the country's third-largest bank. BMO is also the

dividend pioneer and boasts a dividend track record of 193 years. At \$127.72 per share (-4.44% year to date), the dividend offer is 4.44%.

Investors await the Canadian bank's entry into the affluent California market by year-end 2022. BMO Financial Group, through BMO Harris Bank, will acquire San Francisco-based Bank of the West. Once the transaction is complete, it will become the eight-largest financial institution in the said market.

Management said, "With the combination of two highly complementary geographies and building upon BMO's digital, data and analytics capabilities, this acquisition enables contiguous market extension, the acceleration of BMO's commercial banking expansion, and highly competitive scaled entry into California."

Essential products and services

North West Company, which is in the consumer staples sector, has remained stable amid the complex environment. At \$34.45 per share, investors are up 1.62% and partakes of the 4.41% dividend yield. This \$1.69 billion company is a food retailer and provides essential products and services to people in far-flung and hard-to-reach communities in Canada, rural Alaska, the South Pacific, and the Caribbean.

Because of the decline in margins due to inflationary cost pressures, adjusted net earnings in Q1 2022 declined 17.8% to \$31.16 million versus Q1 2021. Nevertheless, management is optimistic about the strength of its business and the growth opportunities ahead.

Rock stars

BCE, BMO, and NWC are excellent passive-income providers for old and new investors alike. The three dividend-paying companies are among the TSX's rock stars.

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2. NYSE:BMO (Bank of Montreal)
3. TSX:BCE (BCE Inc.)
4. TSX:BMO (Bank Of Montreal)
5. TSX:NWC (The North West Company Inc.)

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