



New Investors: Start a Portfolio With These 3 Stocks

Description

Investing can be a daunting task for even the more experienced individuals. That's why it's important to get as many perspectives as you can when you're starting out. That way, you can learn about all the different portfolio management strategies and find one that works with your financial goals and investor profile. In my opinion, new investors should focus on reliable [blue-chip](#) companies that provide a solid dividend. In this article, I'll discuss three stocks that new investors should add to their portfolios.

A leader in the railway industry

In Canada, there are two industries that are dominated by a very small group of companies. That would be the railway and banking industries. Although investors should eventually hold companies from both of those industries, we'll focus on the former for now. Canada's railway industry is dominated by two companies. The larger of which is **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)).

It's important for investors to consider whether a company can dominate its industry, because it speaks to the moat that the company may have. A moat is simply a company's competitive advantage over its peers. If a company has a large moat, like we see with Canadian National, then it makes it very difficult for smaller competitors to displace its position atop the industry. Over the long run, that *should* result in increased revenues and continued growth. Canadian National's moat is a big reason why new investors should consider this company.

An excellent financial institution

If you look at the top companies listed on the **TSX**, you'll notice that many of them are financial institutions. That's because Canada's stock market is heavily geared towards the financial sector. Of the companies in that sector, **Brookfield Asset Management** ([TSX:BAM.A](#))([NYSE:BAM](#)) stands out, in my opinion.

Brookfield's portfolio consists of nearly \$725 billion of assets under management. That makes it one of the largest alternative asset management firms in the world. Through its subsidiaries, the company has

exposure to the infrastructure, real estate, renewable utility, and private equity markets. Last year, [the company announced](#) that it would be partnering with **Tesla** to develop a large-scale sustainable neighbourhood in the United States.

Consider this relatively underestimated company

When it comes to stocks for beginners, there are some stocks that are covered very heavily by financial media. However, that doesn't mean that the stocks that don't get attention aren't good choices. In many cases, that's actually what you want in a stock because it means you could be getting in before the masses. That could result in greater buying pressure in the future, helping drive its value higher. One stock that doesn't get as much attention as it should is **Alimentation Couche-Tard** ([TSX:ATD](#)).

This company operates more than 14,000 convenience stores around the world. That may be crazy to think about, until you realize how many banners it operates under. Consumers should be familiar with its Alimentation Couche-Tard and Mac's stores. However, you may not know that it also operates Daisy Mart, Dairy Mart, Circle K, On the Run, and other popular stores.

What's interesting about this company is how widespread its business is. It operates in 24 countries and territories. Furthermore, the company doesn't get many visitors that don't buy anything. If you're walking into a convenience store, you're likely going to spend money out of necessity. This is a sleeper stock that new investors should really consider for their portfolio.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:CNI (Canadian National Railway Company)
3. TSX:ATD (Alimentation Couche-Tard Inc.)
4. TSX:BN (Brookfield)
5. TSX:CNR (Canadian National Railway Company)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. jedlloren
2. kduncombe

Category

1. Investing
2. Stocks for Beginners

Date

2025/09/14

Date Created

2022/07/01

Author

jedlloren

default watermark

default watermark