



Stocks for New Investors: 3 of the Best ETFs to Buy Now

Description

With many stocks trading at multi-year lows, now is the perfect time for new investors to start looking at buying stocks. Because after a significant market correction like we've seen all year, plenty of the best stocks and ETFs on the **TSX** are finally worth a buy.

But while this environment is certainly an excellent time for new investors to look at buying stocks, it's also understandable that many are hesitant to put their money to work when there is so much risk and uncertainty.

While the majority of stocks will perform well, there are certainly some stocks that will lose value in the future and ones that could be impacted by a potential recession.

But if you're worried about buying individual stocks, a great way to get your feet wet while also taking advantage of the attractive discounts across the market is to buy [exchange-traded funds](#) (ETFs), which offer you a basket of stocks and instant diversification.

And of the many ETFs that Canadian investors can buy now, here are three of the best for new investors.

A top fund offering exposure to the TSX

If you're hesitant to pick individual stocks, one of the best ways to get started is to buy an ETF that offers exposure to the entire Canadian market. That's why one of my top recommendations for investors would be **iShares S&P/TSX 60 Index ETF** ([TSX:XIU](#)).

The XIU offers Canadians exposure to 60 of the largest stocks diversified across each industry. Plus, thanks to all the volatility in markets this year, the XIU is now trading at the bottom of its 52-week range and more than 15% off its high.

This makes now an excellent opportunity for investors to gain some exposure and take a position. Plus, not only is the fund offering a discount, but it also pays an attractive distribution that currently

offers a yield of nearly 3%.

Therefore, if you're a new investor looking to buy the dip, the XIU is one of the best ETFs to consider today.

A top ETF offering exposure to the U.S.

In addition to an index ETF like the XIU offering exposure to the TSX, a great way for Canadians to gain exposure to the U.S. and the **S&P 500** is to buy a fund like **iShares Core S&P 500 Index ETF (CAD-Hedged)** ([TSX:XSP](#)).

Gaining exposure to the American economy and the [S&P 500](#) is a crucial way to diversify your investments and reduce your risk even more. Plus, the XSP offers an even larger discount, trading more than 20% off its high.

And with tech being the fund's largest sector, it offers significant growth potential for investors willing to hold long term. Plus, buying the ETF means that investors don't have to worry about foreign exchange risk.

Therefore, if you're a new investor or just looking to take advantage of this selloff, the XSP is one of the best ETFs to buy now.

One of the best ETFs to buy for long-term investors

Lastly, some of the best stocks that you can buy and hold long term are dividend-growth stocks. That's why one of the best ETFs that new investors can buy is **iShares S&P/TSX Canadian Dividend Aristocrats Index ETF** ([TSX:CDZ](#)).

Canadian Dividend Aristocrats are well known to be some of the best and most consistent stocks you can own for the long haul. Therefore, owning a diversified portfolio of these high-potential stocks is an excellent way for new investors to begin putting their capital to work.

These stocks are much more robust, too. So, it's no surprise that while the ETF is at the bottom of its 52-week range, it's still trading less than 15% off its high.

Therefore, if you're looking for the best ETFs to buy now, the CDZ can protect your capital well, plus the distribution it pays currently provides investors with a yield of 3.6%.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:CDZ (iShares S&P/TSX Canadian Dividend Aristocrats Index ETF)
2. TSX:XIUI (iShares S&P/TSX 60 Index ETF)
3. TSX:XSP (iShares Core S&P 500 Index ETF (CAD-Hedged))

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Date

2025/06/28

Date Created

2022/07/14

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