Got $2,000? Here Are 3 Smart TSX Stocks to Buy Now

Description

Right now is an excellent time for new Motley Fool investors to get into the **TSX**. However, I understand that it may not seem that way. The TSX is down 10.77% year-to-date, and it was reported that inflation rose by 8.1% year-over-year in June. So you certainly don't want to be spending too much on TSX stocks.

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But even if you can spare $2,000, I believe you could double your money in the next few years. All it takes is finding the smartest TSX stocks on the market. And I have three for you to consider on the TSX today.

Energy

First up, a great place to look when considering TSX stocks is the energy sector. But before you go buying up oil and gas stock, it's important to be aware of shifting energy usage. Renewable energy may be a far better option, and utilities in particular are a great way to get into the market.

That's why I would recommend **Hydro One** (TSX:H) as a smart option among TSX stocks. It's Canada's largest electricity transmission and distribution service provider, focused on supplying renewable energy to Canadians. So this certainly isn't going anywhere soon, considering the global shift to clean energy. Further, it has decades of growth behind it, and is actually up 6.7% year-to-date!

You can buy up Hydro One, lock in a dividend yield of 3.21%, and look forward to even more growth. Shares are up 86% in the last five years, for a compound annual growth rate (CAGR) of 13.2%.

Banks

Another smart choice among TSX stocks are the Big Six Banks. All Big Six are stellar choices given their 100-year history of share growth and dividends, and provisions for loan losses. As a result, each will come out of any recession relatively unscathed. But which one should you buy?

Honestly, why not all of them? That's what you get with the **BMO Covered Call Canadian Banks ETF** (TSX:ZWB). You get access to all the Big Six Banks and their strong performance, while collecting a high dividend yield of 5.31% as of this writing. Plus, it's an exchange-traded fund (ETF) so it's like having a team of financial managers making all of the tough decisions for you.

Shares of ZWB are up 135% in the last decade, for a CAGR of 8.93% as of this writing.

Tech

This may surprise you, but tech stocks are actually a crazy great buy right now. Not all of them, mind you, but Motley Fool investors should really consider buying into this sector when it's down. If there's one to consider among TSX stocks with just $2,000 to invest, it should be **CGI Group** (TSX:GIB.A)(NYSE:GIB).

CGI Group focuses on investing in software companies and turning them into money making machines. It then acquires more and more, a strategy that its incredibly successful team of managers has locked in. Plus, the company has a long history of great performance, something you don't see much from tech stocks.

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Shares are down 3.5% year-to-date, but up an incredible 346% in the last decade among TSX stocks. That's a CAGR of 16%! So don't be fooled. The tech sector has plenty of smart buys for long-term Motley Fool investors if you get into them now.

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2. TSX:GIB.A (CGI)
3. TSX:H (Hydro One Limited)
4. TSX:ZWB (BMO Covered Call Canadian Banks ETF)

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Date
2025/08/18
Date Created
2022/07/26
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