



Got \$500? 3 Simple TSX Stocks to Buy Right Now

Description

If you're a new investor hoping to get a [start in the stock market](#), you can do that today. Contrary to popular belief, investors can start a portfolio with as little as \$500. Generally, this is an amount of money that wouldn't take too long to save up for if you're serious about taking control of your finances. In this article, I'll discuss three relatively cheap stocks with simple businesses. New investors should focus on these companies as they start building out a portfolio.

Choose this stock as a source of growth

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is the first stock that new investors should buy right now. This company has grown from a small tech startup in Ottawa to one of the largest players in the global e-commerce space. Shopify provides merchants of all sizes with a platform and many of the tools necessary to operate online stores. Because of its platform's inclusivity, I believe Shopify will be able to attract many new customers over the coming years. It offers solutions that are appropriate for first-time entrepreneurs and large-cap enterprises alike.

From an investment perspective, Shopify checks off a lot of boxes. First, it employs a recurring payment model. This makes it easier for new customers to start using its platform and also provides the company with a stable and predictable source of revenue. Over the past five years, Shopify's monthly recurring revenue has grown at a compound annual growth rate (CAGR) of just under 40%. Shopify is also led by its founder and CEO Tobi Lütke. As long as the company is led by its founder, I believe it can maintain that "startup mentality" that has helped it grow as quick as it has.

Invest in Canadian financial institutions

Many of the largest companies in Canada are financial institutions. As such, if investors are looking for solid and established companies to add to their portfolio, then looking in the financial sector would be a good start. Another benefit that comes with investing in financial institutions is that these companies generally have very easy businesses to understand. Take **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) for example.

This company operates and invests in real assets around the world. Through its subsidiaries, Brookfield has exposure to the infrastructure, real estate, renewable utility, and private equity markets. All considered, Brookfield's portfolio consists of nearly \$725 billion of assets under management. Even though this stock isn't a growth stock per se, it has still managed to grossly outperform the broader market. Since its IPO, Brookfield stock has grown at a CAGR of 14.3%, excluding dividends.

The Canadian banks could be a great choice

Finally, all new investors should consider buying shares of the company they bank with. This is because you should be very familiar with how that bank makes its money. Whether you agree with it is a different question, but you certainly shouldn't have many problems understanding that business model. The Canadian banks are also very interesting companies because of the formidable moats that the industry leaders have established.

If you wanted to go with a different bank than the one you use, I'd suggest considering **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) for your portfolio. This stock is also very interesting from a dividend point of view. Bank of Nova Scotia has managed to [pay shareholders](#) a portion of its earnings for 189 consecutive years.

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Date

2025/09/06

Date Created

2022/07/31

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