



## Got \$500? 1 Simple TSX Stock to Buy Right Now!

### Description

Beginner investors don't need considerable sums of cash to get started investing. All it takes is a few hundred to begin your journey to creating wealth over your investment career. Indeed, the advent of low (or even zero) trading commissions has lowered the bar for today's [young investors](#).

With all the resources available (including the Motley Fool), there has never been a better time to dip a toe into the financial markets. And unlike generations in the past, you may find it a good idea to be in the driver's seat, rather than opting to pay a fee for someone else's services.

Indeed, a bit of guidance never hurt. However, investment management costs can add up over time. As such, educating oneself on equities, bonds, ETFs (exchange-traded funds), precious metals, and other publicly traded securities can really pay dividends over time.

Investing looks hard, but it really doesn't have to be. You can keep things simple, with a few well-known stocks or keep it passive with the wide range of ETFs now available to Canadians. After the first-half bout of market turbulence, I'd argue now is a great time to put your first \$500 (or whichever amount you're comfortable with) to work.

Currently, I'm a big fan of **Alimentation Couche-Tard** ([TSX:ATD](#)), one wonderful business that can help beef up your long-term investment portfolio over the next 10-30 years.

## Alimentation Couche-Tard

Couche-Tard is about as simple as businesses get. The company owns and operates convenience stores (under the Circle K and Couche-Tard brands) across North America and parts of Europe. The company sells everything fuel, groceries, snacks, and cigarettes. Undoubtedly, the retailer has done a lot of things right over the past decade, with prudent merger and acquisition moves and efforts to beef up merchandise same-store sales growth.

Amid high inflation, Couche has done really well, with a strong private-label business that's helped alleviate recent fuel margin pressures in Europe (fourth-quarter 2022 gross profit margins increased

10% year over year, which was pretty much in line with expectations).

Amid the surge in fuel prices, many drivers have also been reluctant to head to the pump. Those who've had to spend considerable sums on gas may have less available for merchandise purchases. In any case, Couche has done a great job of adapting with the times, all while its cash hoard has swollen.

The company can acquire a behemoth worth north of \$10 billion should it choose. That's a lot of buying power!

As economic pressures weigh more heavily on smaller players in the convenience retail market, I'd look for Couche-Tard to get a better bang for its buck with small-scale acquisitions moving forward. Though an elephant would be a great pick-up with Couche's cash hoard, I'd argue a series of many bargains could create the most value for the firm.

## Bottom line

As inflation and high fuel cost headwinds subside, look for margins to go on the uptrend, while the company eyes a bargain in the global convenience store space.

With rates on the rise, it's not a mystery as to why Couche-Tard stock has been so resilient amid the broader market selloff. When the market serves up bargains galore and credit becomes tougher, strong balance sheets could be worth their weight in gold again.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)

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