



## Start Building a Portfolio With These 3 Stocks

### Description

If you're building an investment portfolio for the first time, it's understandable if you feel a bit overwhelmed. There's so much information out there, so it can be difficult for new investors to really get a grasp on how to get started. In this article, I'll try to help shine some light on how anyone could become a successful investor. By building a proper portfolio and giving it a lot of time to grow, you could be well on your way towards financial independence.

### Start by looking at blue-chip stocks

The first type of stock that new investors should look at are [blue-chip stocks](#). These are companies that are well-established and often lead their respective industries. One way to find a list of solid blue-chip stocks for your portfolio is to consult the **S&P/TSX 60**. This is a list of 60 large companies that lead important sectors within Canada. One company that I would suggest that new investors consider buying today is **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)).

Brookfield operates a portfolio with more than US\$750 billion of assets under management. That makes it one of the largest alternative asset management firms in the world. However, what's even more impressive than its size is how fast this company is growing. Over the past four years, Brookfield's portfolio has grown at a compound annual growth rate (CAGR) of 26%. At that rate, its portfolio could surpass the US\$1 trillion mark in a couple of years. Led by Bruce Flatt, who is often referred to as Canada's Warren Buffett, this could be an excellent stock in your new portfolio.

### Add dividend stocks to your portfolio

After you've chosen one or two blue-chip stocks to act as the cornerstone of your portfolio, consider adding dividend stocks to your portfolio. Many dividend stocks are also blue-chip stocks; however, that's not always the case. In my opinion, if you find strong dividend stocks that are also blue chips in nature, then you're getting the best of both worlds.

The reason dividend stocks would be good to hold in your portfolio is because they tend to be less

volatile during market downturns. That gives new investors a chance to ease into the market and get used to the day-to-day volatility that they should expect to see in their portfolio.

If I could only pick one dividend stock to invest in, it would be **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)). This company is considered one of the Big Five: a group of banks that dominates the Canadian banking industry. [Bank of Nova Scotia](#) first paid investors a dividend on July 1, 1833. Since then, it has never missed a dividend payment. That represents 189 years of continued dividend distributions.

## Look for stocks that could provide a bit of growth

Finally, new investors could consider adding one or two stocks that provide a bit of growth potential. Because you're still new to the stock market, I'd recommend that you keep this portion of your portfolio a bit smaller. I think anywhere around 10% or less would be good to start. The purpose of this portion of your portfolio is to provide a bit of a boost to your returns during bull markets.

My favourite Canadian growth stock today is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). This company provides merchants of all sizes with a platform and all of the tools necessary to operate online stores. It's estimated that more than one million merchants use Shopify to power their online stores today. Over the past five years, Shopify's monthly recurring revenue has grown at a CAGR of 35%. I believe the company could continue to see strong growth in the coming years, as the e-commerce industry increases its penetration of the global retail market.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:BN (Brookfield)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:SHOP (Shopify Inc.)

### PARTNER-FEEDS

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

## PP NOTIFY USER

1. jedlloren
2. kduncombe

## Category

1. Investing
2. Stocks for Beginners

## Date

2025/08/26

## Date Created

2022/08/19

## Author

jedlloren

default watermark

default watermark