



## New to Investing? 3 Top Stocks Every Canadian Should Own

### Description

The stock market can be confusing for novice investors. While this asset class has created massive wealth for individuals globally, several retail investors have lost money hand over fist due to the wrong investment strategies.

If you're new to investing, it makes sense to either buy [exchange-traded funds](#) (ETFs) that provide exposure to various companies across sectors, lowering overall risk. Alternatively, investors can also purchase shares of [blue-chip companies](#) that are market leaders with the ability to generate cash flows across business cycles.

Here, I have shortlisted three top stocks every Canadian should own in 2022.

### Toronto-Dominion Bank

One of the largest banks in North America, **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) has returned 217% to investors since August 2012, after adjusting for dividends. Despite its impressive gains, TD stock offers a healthy forward yield of 4.1% right now.

Banking stocks have been dragged lower in recent months due to fears of an upcoming recession which will lower consumer spending and increase the risk of defaults. But higher interest rates should allow TD to improve earnings at a steady pace in the next 12 months.

TD ended the fiscal second quarter with a high Tier 1 capital ratio of 14.7%. This ratio measures a bank's ability to weather a challenging environment, and the higher the ratio, the better.

Additionally, TD Bank is gaining traction in the United States. It agreed to acquire **First Horizon** in February and recently inked a deal to purchase brokerage firm **Cowen**.

### Enbridge

A midstream energy company with a low-risk business, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) has increased dividends for 27 consecutive years. Around 98% of Enbridge's cash flows are backed by long-term agreements, while 95% of its customers have an investment-grade credit rating.

Due to its predictable cash flows, Enbridge pays investors a juicy forward yield of 6%. These payouts have increased by 10% annually in the last decade.

This energy heavyweight has visible growth prospects, with capital projects worth billions of dollars lined up, allowing the company to increase cash flow per share by at least 5% through 2024.

Enbridge continues to diversify its asset base and is investing in clean energy solutions that currently account for 4% of total EBITDA (earnings before interest, taxes, depreciation, and amortization). It's also entered several renewable energy verticals, such as renewable natural gas and green hydrogen.

## Brookfield Infrastructure Partners

The final blue-chip stock on my list is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)), which currently offers investors a tasty yield of 3.5%. It's a globally diversified infrastructure company that owns and operates pipelines, cell towers, power lines, and data centers, among other infrastructure assets.

With a presence across five continents, Brookfield Infrastructure operates over 20,000 miles of rail and 2,400 miles of toll roads.

Brookfield Infrastructure's cash flows are contractually secured or regulated, making it a smart choice in the current macro-environment. This stock has crushed the broader markets in the last 10 years and has returned an emphatic 525% in dividend-adjusted gains to investors since August 2012.

An investment of \$10,000 in each of these three TSX stocks should allow investors to generate close to \$1,400 in annual dividend payments.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Top TSX Stocks

### TICKERS GLOBAL

1. NASDAQ:COWN (Cowen Inc.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. NYSE:ENB (Enbridge Inc.)
4. NYSE:FHN (First Horizon National Corporation)
5. NYSE:TD (The Toronto-Dominion Bank)
6. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
7. TSX:ENB (Enbridge Inc.)
8. TSX:TD (The Toronto-Dominion Bank)

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