



Beginner Investors: 3 Top Canadian Stocks to Buy Now and Hold Forever

Description

It's hard to ignore all of the noise surrounding the stock market today. Both rising interest rates and inflation have caused lots of uncertainty over the past few months, which is one of the things investors hate most.

It's the unknown that causes [volatility](#) in the stock market. And without a clear picture of what the economy will look like at the end of the year, it's no surprise to see spikes of volatility in the stock market as of late.

All that to say, that doesn't mean now's not a good time to be investing. In fact, for long-term investors, now is an excellent time to put money into the stock market. There's no shortage of high-quality [Canadian stocks](#) trading at opportunistic discounts right now.

I've put together a list of three top Canadian stocks that are perfect for investors with long-term time horizons. Together, the three companies can provide a portfolio with market-beating growth potential, passive income, and stability.

Constellation Software

Constellation Software ([TSX:CSU](#)) has quietly been one of the top-performing Canadian stocks for close to the past two decades.

Growth has slowed in recent years, as the company enters its maturity stage. Still, shares are up a market-crushing nearly 200% over the past five years. In comparison, the **S&P/TSX Composite Index** has returned less than 30%.

I wouldn't bet on the Canadian stock to be the highest-growing pick in an investment portfolio. But if you're looking for a dependable market-beating company, you won't find many better options than Constellation Software on the TSX.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) has been in the media's headlines throughout the entire year. And as a Shopify shareholder, the stories have, unfortunately, been much more focused on the bear case for the high-priced tech giant.

Shares have come crashing down more than 70% this year and close to 80% from 52-week highs.

Slowing revenue growth and workforce layoffs have been two catalysts that the media has run with this year. While those catalysts may be legitimate reasons for a selloff, you cannot ignore the broader selloff in the Canadian stock market, particularly with high-priced tech companies.

In the company's most recent earnings report, management reminded investors that it continues to be focused on the long-term market opportunity in the e-commerce space. The layoffs were done in an effort to focus on the business's core growth opportunities. As a shareholder, I certainly appreciated hearing that.

In the short term, we could very well continue to see the stock price drop. But over the long term, despite being down 80% over the past 12 months, this is still a Canadian stock that I firmly believe in.

I've added to my position several times in 2022 already. And with shares still down way below all-time highs, I'll likely be adding more shares again this year.

Sun Life

The last pick on my list is a far different Canadian stock than the first two companies I reviewed. To balance out the first two growth-oriented picks, I've included a dependable Dividend Aristocrat.

At a market cap of just over \$30 billion, **Sun Life** ([TSX:SLF](#))([NYSE:SLF](#)) is a Canadian leader in insurance and wealth management. The company also boasts a growing international presence, which is a key area of the business that investors should keep an eye on in the coming years.

The insurance stock can provide a portfolio with both passive income and defensiveness. There's not a whole lot to get excited about in the insurance industry, but it is one you can count on. Owning shares of a dependable company like Sun Life can help balance out the volatility that growth stocks will inevitably be faced with.

At today's stock price, the company's annual dividend of \$2.76 per share yields just shy of 5%. At that yield, Sun Life ranks among the highest that you'll find on the TSX today.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)

2. NYSE:SLF (Sun Life Financial Inc.)
3. TSX:CSU (Constellation Software Inc.)
4. TSX:SHOP (Shopify Inc.)
5. TSX:SLF (Sun Life Financial 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. kduncombe
2. ndobroruka

Category

1. Investing

Date

2025/06/30

Date Created

2022/09/08

Author

ndobroruka

default watermark

default watermark