



Where to Invest \$1,000 for the Next 5 Years

Description

At the Motley Fool, we believe in investing for the long term. In fact, that's one of the major tenets of [Foolish investing](#). By "long term", we tend to think of periods of five years or more. The reason five years is a good target is because it allows your investment theses to play out, while not being too influenced by short-term factors. In this article, I'll discuss three stocks that investors should consider buying for the next five years.

Start with this blue-chip stock

When looking for stocks to hold in your portfolio, investors should focus on [blue-chip stocks](#). These are companies that are well established and are often leaders in their respective industries. One blue-chip stock that I think could do well for investors is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). This company provides merchants of all sizes with a platform and many of the tools necessary to operate online stores. Its inclusive platform attracts everyone from first-time entrepreneurs to large-cap companies like **Netflix**.

What I think separates Shopify from similar companies is its impressive enterprise partnership network. [By establishing partnerships](#) with the likes of **Meta Platforms**, **Walmart**, **Spotify**, YouTube, and many others, Shopify gives its merchants every opportunity to appear in front of consumers. Over the long run, that could help sales improve drastically. With one of the largest shares of the global e-commerce industry, Shopify is a stock that could continue to grow in the coming years.

An excellent mid-cap stock for your portfolio

Although large-cap stocks tend to be more stable, investing only in those companies may not be the best thing to do. This is because the law of large numbers states that companies tend to experience a decrease in growth rate as they increase in size. With that in mind, stocks that are [small- and mid-caps](#) could generate greater returns and should be considered for your portfolio. One mid-cap stock that investors should buy today is **Topicus** ([TSXV:TOI](#)).

Topicus first gained the attention of investors when it was spun off from **Constellation Software**. Since becoming its own entity in February 2021, Topicus has been successful. The company has managed to acquire a large number of businesses over a short period of time. In fact, in 2022, Topicus has already acquired more than 20 vertical market businesses. With Constellation Software's wealth of experience in Topicus's back pocket, I think this stock could be very successful over the next five years.

A stock for more conservative investors

Both of the stocks discussed so far have been tech stocks. I understand that not all investors are willing to invest in the tech sector right now. Even those that are interested in tech stocks should consider diversifying into other sectors. Doing so gives you the opportunity to minimize risk in your portfolio. With that said, I think investors should consider buying shares of **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)).

With a portfolio of more than \$750 billion of assets under management, Brookfield is one of the largest alternative asset management firms in the world. Through its subsidiaries, Brookfield has exposure to the infrastructure, insurance, real estate, renewable utility, and private equity markets. It should be noted that Brookfield also has a world-renowned executive as its chief executive officer. If you're looking for a less-aggressive stock that could generate excellent returns over the coming years, consider Brookfield.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:BN (Brookfield)
4. TSX:SHOP (Shopify Inc.)
5. TSXV:TOI (Topicus.Com Inc.)

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