3 Kinds of Stocks Every Investor Must Own

Description

When building a portfolio, it's important to ensure that investors aren't putting all their eggs in one basket. One way of doing that is by holding different types of stocks. By this, I mean building a portfolio that features blue-chip, income, and growth stocks. This strategy could give investors a lot of stability, while providing a bit of passive income and having that potential for tremendous growth over time.

In this article, I'll discuss three stocks that every investor should consider owning.

Choose this stock for its stable performance

I believe every stock portfolio should feature some blue-chip stocks. Generally, this term is used to describe an established company that leads its industry. These stocks tend to be popular among investors due to their stability. Compared to growth stocks, blue-chip stocks usually see less fluctuation, and their industry-leading positioning gives investors a bit of added confidence in these companies. With that said, **Brookfield Asset Management** (TSX:BAM.A) is the first stock that investors should consider adding to their portfolios.

With a portfolio consisting 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, it has exposure to the infrastructure, insurance, real estate, renewable utility, and private equity market. Led by a world class chief executive officer, Brookfield has managed to grow its portfolio at a compound annual growth rate of 26% over the past four years. That has been reflected in its stock, which has gained nearly 50% over that period.

A great dividend stock for passive income

Investors should also consider holding dividend stocks in their portfolio. This could provide you with a source of passive income, which will hopefully grow over time. Dividend stocks are also useful as a way of ensuring yourself of some sort of returns when stock markets take a dive. It's for that reason that investors tend to buy dividend stocks heavily during market downturns. If you're looking for a dividend stock to buy today, consider **Bank of Nova Scotia** (TSX:BNS).

What interests me about Bank of Nova Scotia is its long history of paying a dividend. This company has paid shareholders a portion of its earnings in each of the past 189 years. That means it has managed to pay dividends through the Great Depression, the Great Recession, and the COVID-19 pandemic, among many other major global events. As an added bonus, Bank of Nova Scotia offers investors a very attractive forward dividend yield of 6.43%.

This growth stock should be in your portfolio

Finally, investors should ensure to hold growth stocks in their portfolios, even if it only accounts for a small proportion of the total holdings. Doing so could help you create larger returns over the long run. It's important to note that although growth stocks can be lucrative, they do come with a lot of risk. This is because growth stocks tend to be younger companies, which are operating in highly competitive industries.

If I could only buy one Canadian growth stock today, it would be **Shopify** (TSX:SHOP). This company is a leader within the global e-commerce industry. It provides merchants of all sizes with a platform and many of the tools necessary to operate online stores. One of Shopify's greatest selling points is its outstanding enterprise partnership network. Through that network, merchants can easily sell on **Walmart**, **Meta Platforms**, **Spotify**, YouTube, and many other platforms.

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