



3 Must-Buy TSX Stocks for Anyone New to Investing

Description

Investing in the stock market for the first time or in the first year can be both exciting and concerning. However, trust that it's a great time to invest in wonderful businesses, because the stock market was down last year.

You definitely don't want to take too little risk and store all your money in a high-interest savings accounts. You also shouldn't take excessive risk and jump into high-risk stocks, hoping to hit the jackpot.

As someone [new to investing](#), you can afford to take it slowly and ease long-term capital into quality stocks. Here are a few wonderful, [top TSX stocks](#) that you can explore as potential core holdings for your portfolio.

Quality utility stock

Brookfield Infrastructure Partners ([TSX:BIP.UN](#)) is one of the best utility stocks you can buy on the TSX! It owns a globally diversified portfolio of infrastructure assets that are essential for the economies they serve. For example, for utilities, it has 16,200 km of natural gas pipelines, 65,500 km of operational electricity distribution and transmission lines, and more. For transportation, it has 32,300 km of rail operations, 3,800 km of toll roads, etc. Additionally, it has midstream and data infrastructure assets.

The dividend stock has increased its dividend for about 14 consecutive years. For reference, its three-year dividend-growth rate is 6.4%. Going forward, management intends to increase its cash distribution by 5-9% per year.

Even though the stock has fallen meaningfully by 18% in the last 12 months, it still delivered market-beating annualized returns of 15.76% in the last decade — almost double the market return of 8.16%.

In fact, the correction is a good time to accumulate shares in registered accounts. The quality utility stock provides an initial yield of 4.65%. Analysts also believe the stock is undervalued by about 28% at

roughly \$42 per unit.

Reliable bank stock

Toronto-Dominion Bank ([TSX:TD](#)) is a leading bank in North America. Because of its large size, interconnectedness to the world, and other factors, it is one of two big Canadian banks, along with **RBC**, which is categorized as a global systemically important bank. Therefore, it is subject to additional capital buffers and increased supervisory scrutiny. This should, in turn, make it a safer [bank stock](#) for long-term investors to park their money in for growing income and wealth creation.

At \$87 and change per share at writing and offering an initial yield of close to 4.4%, new investors can start building a position in the stock. Just note that it could get cheaper, as many economists believe we're entering a recession (though a mild one) this year.

For the record, TD stock's 10-year annualized returns were 12.07% — still market beating.

Defensive stock

There aren't that many defensive consumer staples stocks to choose from on the TSX. **Jamieson Wellness** ([TSX:JWEL](#)) is one that offers a decent yield of 1.9% in the sector. It is a relatively young Canadian Dividend Aristocrat versus Brookfield Infrastructure and TD Bank.

As a [small-cap stock](#) with a market capitalization of about \$1.5 billion, it could provide higher growth potential. For example, JWEL stock's three-year dividend-growth rate is 17.4%.

The 12.6% correction in the stock in the last year provides an opportunity to buy the dip. The 12-month consensus price target across 10 analysts suggests the stock is [undervalued](#) by 21% at about \$35 per share.

The Foolish investor takeaway

These [dividend stocks](#) are great considerations for new investors from all walks of life who are just starting investing and have a long-term investment horizon for this capital. These stocks should provide positive returns in any market with their dividends (as long as you don't materialize a potential loss in a [bear market](#)). You can also get safety of principal for your long-term capital with their stable, growing businesses, which should actually grow your wealth steadily and surely in the long run.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
2. TSX:JWEL (Jamieson Wellness Inc.)
3. TSX:TD (The Toronto-Dominion Bank)

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. kayng
2. kduncombe

Category

1. Investing
2. Stocks for Beginners

Date

2025/08/14

Date Created

2023/01/07

Author

kayng

default watermark

default watermark