



New Investors – Is Now the Time to Start?

Description

When is the right time to start investing? Right now. That's what basically every financial advisor out there will likely tell you. However, if you're one of the many new investors out there, it might not seem so cut and dry.

After all, should you be investing in growth stocks? Dividend stocks? And how much should you invest? Most importantly, with a recession due in 2023, should new investors be investing at all?

In short, while it's still true it's [always a good time to invest](#), I would consider the *types* of investments new investors are making. You want stocks and exchange-traded funds (ETF) that will see you through a recession, but beyond it as well. So today, I'm going to go over three options.

BMO Global Infrastructure Index ETF

The **BMO Global Infrastructure Index ETF** ([TSX:ZGI](#)) is a great option if seeking investments in infrastructure companies. These include everything from energy companies to water infrastructure. It provides you with stable income that comes from stable sources. After all, no matter the market we'll always need power, water, fuel, and more.

What's also beneficial here is that ZGI is great for new investors looking for diversification. You get this from the company's investment in infrastructure around the world. So rather than depending on only those companies in North America, you get access to the world over and the economic support that comes with it.

ZGI currently offers a 2.88% dividend yield and focuses on real estate, energy, and utilities for its income. Shares are up 5% in the last year, and 29% in the last five years alone.

Vanguard Growth ETF Portfolio

Now just because you're a new investor doesn't mean you should ignore growth altogether. In fact, younger investors, in particular, who are new to the scene would do well to consider a growth ETF like **Vanguard Growth ETF Portfolio**

([TSX:VGRO](#)).

The benefit here is that you have time on your side. You can afford to watch your shares climb higher and higher, but also remain confident of a recovery during a downturn since you won't be selling any time soon. In terms of Vanguard ETF, you receive a 2.1% dividend yield along with the benefit of holding growth stocks.

However, you can also look forward to this stock providing protection in a downturn. While 85% remain in stocks, the remainder is in bonds. Furthermore, the company invests in Vanguard ETFs, not stocks directly. So it's like having dozens of managers looking after your portfolio. Shares of VGRO are down 9.4% in the last year, and up 21% in the last five years.

Royal Bank

If you want just one stock option to consider, I would look at the [Big Six Banks](#). And if you're one of the new investors out there, then **Royal Bank of Canada** ([TSX:RY](#)) is a strong option as the country's largest bank by market capitalization.

The benefit new investors receive with Royal Bank stock is twofold. First, the company has worldwide exposure through its investments. It also has a strong source of revenue from diversified income, and Royal Bank stock's capital markets and wealth management portfolio.

The partnership with BlackRock also gives Royal Bank stock the benefit of receiving strong income from fees in the years to come. Finally, the bank expanded into the United States over the last year, where high-net-worth and commercial banking are giving the company plenty more cash for investors to latch onto.

The stock remains a deal trading at 11.9 times earnings, has a 4.1% dividend yield, and trades down 8.5% year to date. Shares are up 54% in the last five years alone.

CATEGORY

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2. TSX:VGRO (Vanguard Growth ETF Portfolio)
3. TSX:ZGI (BMO Global Infrastructure Index ETF)

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