



3 “Keep it Simple” Stocks to Buy Today

Description

There is a common misconception that the stock market is only for those who can crunch numbers. There are technical and fundamental analyses that complicate things, but that need not be the case. Things are best when they are simple. Keep your investments simple and invest in companies around you. The logic is, if a company has been affecting your daily life for years, it is doing the same with millions of Canadians.

Keep it simple: Invest in companies around you

A company earns money from you, the end consumer. As long as you use the product or service of the company, stay invested in that stock. When you decide you no longer need or can't afford the good or service, exit the stock. Here are three simple stocks that affect your daily life.

BCE stock

A broadband router and mobile network is a digital utility you cannot ignore. My first stock pick is **BCE** ([TSX:BCE](#)). You might be planning to upgrade to [5G](#), the fifth-generation technology that will connect all connected devices to the internet. And BCE is at the forefront of the 5G rollout, witnessing a significant surge in new subscribers. More subscribers mean more revenue, which means more profit.

Moreover, the last two episodes of network outage in **Rogers Communications** make BCE a preferred network provider for many Canadians. This simple stock pick can get you a 5.8% dividend yield over the year, and this dividend will grow annually. This dividend comes from the mobile and broadband bills you are paying BCE. As long as you use BCE services, stay invested in the company and enjoy the dividend payout.

Canadian Tire stock

Another everyday stock for a simple portfolio is **Canadian Tire** ([TSX:CTC.A](#)), your one-stop shop for

housewares, sports, hardware, and automotive-related goods. If you need a new power socket or want to melt the ice in the backyard, you look for a nearby Canadian Tire store. This 100-year-old retail shop has come a long way and is now a \$17 billion revenue company. It has its own [real estate investment trust](#) business, which manages the stores it purchases. Canadian Tire pays its subsidiary **CT REIT** rent.

Canadian Tire's retail business depends on the purchasing power of consumers, as it sells discretionary goods. A recessionary environment could make you delay your Canadian Tire purchases. But the retailer has grown to a scale where it pays incremental dividends. In November 2022, the company [increased](#) its dividend for the 13th consecutive year to \$6.9 per share. Out of these 13 years, there were two years when it grew its dividend twice a year.

Canadian Tire stock surged 9.5% after bottoming out in December. It is a stock to buy now, as it may fall during a recession but rise in a recovery.

Canadian Utilities stock

Canadian Utilities ([TSX:CU](#)) supplies water, electricity and natural gas to your homes with its energy infrastructure and retail energy solutions. While it is still four years short of turning 100, the stock is a Dividend Aristocrat with a +50-year history of growing dividends regularly. No matter your purchasing power, you will pay your bill to Canadian Utilities. This inelastic demand makes the company a good hedge in a recessionary environment.

But you can only produce and consume a limited amount of electricity from a plant, which makes the stock relatively stable and its stock price range bound (\$32-\$42). Range-bound stocks are simple to invest in. Just buy them when they trade near their lower range and sell at a higher range.

Canadian Utilities stock is trading around \$38, at the midpoint of its range. You can still buy the stock and lock in a 4.73% dividend yield.

Invest where you spend

The principle of investing is to buy the dip and sell the high. Like the above three stocks, look around your house and find the hidden companies. Once you have the list, allocate your investment strategy to growth and dividend stocks. That could be a great start to investing.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:CTC.A (Canadian Tire Corporation, Limited)
3. TSX:CU (Canadian Utilities Limited)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
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5. Newscred
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