



Got \$1,500? You Can Confidently Add These 3 Stocks to Your Portfolio

Description

Based on the uptick in the **S&P/TSX Composite Index** year to date, the Canadian stock market seems to have had a bright start to 2023. As of this writing, the Canadian benchmark index is up by 6.67%.

Despite the broader market index's positive movement, fears of a recession keep looming over the heads of Canadian investors. Many analysts and economists believe the inflationary environment and rising interest rates can trigger a recession this year.

For investors worried about [bear market](#) conditions, it might be wise to consider how they can put their money to work in the market. Whenever you are unsure about the market conditions in the coming weeks, it's can be a good idea to go for safer bets. To this end, here are three TSX stocks you can confidently add to your portfolio if you have \$1,500 to invest.

Brookfield Asset Management

Brookfield Asset Management ([TSX:BAM](#)) is an \$18.32 billion market capitalization alternative investment management company. Boasting assets under management of over US\$750 billion, it is among the world's largest investment management companies of its kind. Brookfield Asset Management runs several investment funds investing money for other people.

The asset management giant has done well over the years, generating approximately 16% fund growth annualized over the last 10 years. With a presence across several sectors, including infrastructure, real estate, private equity, clean energy, and more, it is well capitalized and has diversified income streams.

As of this writing, the stock trades for US\$33.37 per share. The company's management forecasts annual growth in fee-related earnings by 15-20% in the medium term. Analysts project its share prices to soar to US\$71 in the medium term, making it an excellent asset to consider.

Royal Bank of Canada

When it comes to solid [financial stocks](#) trading in Canada, many investors consider **Royal Bank of Canada** ([TSX:RY](#)) the best. With a \$188.98 billion market capitalization, it is the largest publicly traded company in Canada based on market cap. It is also the largest among its peers in Canada's Big Six banks.

Having been around for over 150 years, the financial institution has stood the test of time, coming out stronger through several periods of financial hardships.

As of this writing, the stock trades for \$136.39 per share, boasting a juicy 3.87% dividend yield. Down by 8% from its 52-week high, RBC stock is slated to deliver stellar returns through capital gains once markets recover.

The financial institution's profitability offers some hope of that being a possibility. Its recent-most quarter saw the bank reported a 32.5% net margin and a 16.7% return on equity. It can be an excellent addition to your self-directed portfolio in any market environment.

Alimentation Couche-Tard

Alimentation Couche-Tard ([TSX:ATD](#)) is a \$59.06 billion market capitalization company that owns and operates over 15,000 convenience stores across Canada, the U.S., Mexico, Norway, Denmark, Ireland, Japan, Poland, and several other international markets.

Best known in Canada for owning Circle K, the company also operates gas stations alongside convenience stores. In fact, it is one of Canada's largest gas station chains right now.

The strength in fuel prices supports the thesis that the stock can deliver stellar returns. While oil prices are not as high right now as they were last year, the company can enjoy significant profit margins due to the disparity between demand and supply. To add to its fundamental strengths, the company's management has run a successful aggressive expansion strategy over the years.

As of this writing, the stock trades for \$59.23 per share. While down by 6.79% from its 52-week high, it can be an excellent addition amid the current market environment.

Foolish takeaway

While not without risks, these three TSX stocks offer plenty of long-term wealth-generation potential. Considering the ability to ride waves of economic uncertainty and immense shareholder return potential, Brookfield Asset Management stock, RBC stock, and Alimentation Couche-Tard stock can be excellent additions to your self-directed portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)
2. TSX:BAM (Brookfield Asset Management)
3. TSX:RY (Royal Bank of Canada)

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