



## Resources Out, Defensives In

### Description

If you've ever wondered whether or not a stock that you own is "defensive", there is perhaps no better litmus test than a 2% market pull-back. In a sea of red, a handful of Canadian large-caps are actually up today – so far.

The telecom sector is holding up very well in the face of this resource related meltdown. Shares in **BCE Inc.** (TSX:BCE,NYSE:BCE), **Telus** ([TSX:T](#)), and **Rogers** (TSX:RCI.B,NYSE:RCI) are all benefitting from the river of money currently rushing from the resources. These 3 stocks are currently up 1.0%, 1.2%, and 0.7% respectively.

Also showing green are the likes of **Valeant Pharmaceuticals** (TSX:VRX,NYSE:VRX) and **Thomson Reuters** (TSX:TRI,NYSE:TRI) up 1.0% and 0.3% respectively. Valeant is probably benefitting from its status as the go-to name in Canada's healthcare sector. Healthcare is typically viewed as a defensive sector in most markets, however, given Valeant's extensive record of acquisitions and highly leveraged balance sheet, this is not your garden variety, steady-eddy healthcare stock.

The Canadian market's exposure to risky, resource oriented stocks is on full display today. Because of a reliance on such uncontrollable variables as Chinese GDP growth, the business model of many resource oriented companies is relatively weak. Canadian investors however deserve to own great businesses and the U.S. market is home to some of the best in the world. We have created a special report that identifies 3 U.S. businesses that are worthy of your hard earned investment dollars. Simply [click here](#) to receive "**3 U.S. Stocks Every Canadian Should Own**" – FREE!

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*Fool contributor Iain Butler does not own shares in any of the companies mentioned at this time. The Motley Fool has no positions in the stocks mentioned above.*

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:BHC (Bausch Health Companies Inc.)
3. TSX:RCI.B (Rogers Communications Inc.)
4. TSX:T (TELUS)
5. TSX:TRI (Thomson Reuters)

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