



## Brookfield Asset Management Ltd. and BCE Inc.: 2 Companies You Can Count On During a Correction

### Description

As markets continue their plunge, investors are taking a fresh look at their portfolios. What exactly is a safe investment, what should be thrown away, and what could see a nice rebound?

Unfortunately these days, very few companies seem safe at all. But believe it or not, there are companies – even in Canada – that you can count on, even when it seems the world is crumbling beneath your feet. Two are featured below.

#### 1. Brookfield Asset Management Inc.

Alternative asset manager **Brookfield Asset Management Inc.** (TSX: BAM.A)([NYSE: BAM](#)) has managed to escape the wrath of the stock markets this year. In fact, its shares are down less than 10% from the high reached earlier this year. And the shares are still up by nearly 25% over the past year. What's the company's secret?

Brookfield invests its money (as well as other institutions' money) in hard assets, which include things like commercial real estate, renewable power projects, and other infrastructure. These kinds of assets are typically quite reliable, and are able to generate consistent cash flows even when stock prices are suffering.

Better yet, the future looks as bright as ever for Brookfield. Cash-strapped governments are constantly looking to sell assets to the private sector, and this provides companies like Brookfield with plenty of buying opportunities.

Best of all, Brookfield has an excellent track record. This is reflected in the company's shares, which have returned roughly 20% per year over the past 20 years. Over a time period this long, you can't chalk it up to luck.

#### 2. BCE Inc.

If you're looking for safe companies to hold during a correction, Canada's major telecommunications

providers are a great place to start. With limited competition, high barriers to entry, and subscription-based revenue, these companies are able to generate very consistent cash flow. Furthermore, Canadians are ever-hungrier for smartphones and internet connectivity, no matter how poorly the economy is doing.

**BCE Inc.** ([TSX: BCE](#))([NYSE: BCE](#)) is the largest of the big three, and also pays the biggest dividend, currently yielding well over 5%. So even if stock prices around the world are plunging – say, due to the ebola outbreak – BCE shareholders simply aren't going to dump their stock. And like Brookfield, this is reflected in BCE's share price, which is down only 9% from its 52-week high.

Also like Brookfield, BCE's prospects are as bright as ever, with more and more revenue coming from higher-growth businesses like wireless and internet subscriptions. At the end of the day, its shareholders can sleep very easily.

There are other companies you can count on during a market correction, one of which is also The Motley Fool's top pick for 2014. You can read all about it in the free report below.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BN (Brookfield Corporation)
3. TSX:BCE (BCE Inc.)
4. TSX:BN (Brookfield)

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