



2 Bullet-Proof Stocks to Buy Right Now: Brookfield Asset Management Inc. and Saputo Inc.

Description

We are currently in a period of heightened market volatility, with more challenges ahead thanks to low oil prices and a soaring U.S. currency, two factors that have serious implications for many Canadian stocks. Even if you don't believe all the talk that we are headed for a market crash, right now it makes sense to invest in bulletproof companies; companies that can perform consistently under varying economic conditions, companies like **Brookfield Asset Management Inc.** (TSX: BAM.A)([NYSE: BAM](#)), and **Saputo Inc.** ([TSX:SAP](#)).

Brookfield Asset Management Inc.

One major reason that makes Brookfield Asset Management Inc. a bulletproof stock is its diversity. The company holds a variety of businesses including real estate, renewable energy, infrastructure, and private equity. Brookfield Asset Management is also a large and cash-rich company which means it can easily change its business focus during different economic times.

An even better trait, the company's private equity arm can scoop up new assets for a great price during challenging economic times, further expanding its future potential. Brookfield Asset Management has already proven that it is more than capable to profit regardless of the economic climate; its stock value has ascended by an average of 18% per year, over the past 10 years.

Saputo Inc.

While Saputo's business may be more focused compared to Brookfield Asset Management (the company is a dairy manufacturer), what it lacks in business diversity it makes up for in geographic diversity. Saputo is the largest dairy processor in Canada, and the twelfth largest in the world. It has operations in Canada, the United States, Germany, Wales, and Argentina.

The company has grown rapidly through mergers and acquisitions and plans to continue to use mergers and acquisitions to expand its business reach. In a recent conference call, New Zealand and Brazil were brought up as potential new markets. Saputo has the cash on hand necessary to fund

potential acquisitions, thanks to solid revenues and profits over the past few years. Like business diversity, geographic diversity is a benefit during uncertain times because different countries have different economies and each economy behaves a little different under varying economic conditions.

Saputo's business might not be diverse, but the company is in a business where demand is fairly steady and company growth is achieved through operational efficiencies and mergers and acquisitions – characteristics that Saputo has down pat. Over the past 10 years, Saputo's average annual growth in its stock value has been 28.4%.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)
3. TSX:SAP (Saputo Inc.)

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