2 Recession-Resistant Stocks Hitting Home Runs With Investors

Description

As equity markets continue their slide, investors are looking to diversify into names that hold up well during a market pullback.

Here are the reasons why I think dividend fans should consider **Progressive Waste Solutions Ltd.** (TSX:BIN)(NYSE:BIN) and **Rogers Communications Inc.** (TSX:RCI.B)(NYSE:RCI) right now.

Progressive Waste

Whether we like to admit it or not, the amount of waste we produce continues to grow, and that trend isn't likely to change.

That's why Progressive Waste is such a strong pick in any market. The company provides residential and industrial waste removal and recycling services in Canada and the United States. Progressive Waste also owns and operates landfill sites.

Garbage companies are not the first names that come to mind when we think about technological innovation, but Progressive Waste holds true to its moniker.

The company is in the process of converting its large fleet of trucks to run on natural gas. Earlier this year Progressive Waste also completed a facility that converts gas produced at its Montreal landfill site into natural gas.

The company is selling the gas, but you can see where this is leading. What would happen if Progressive Waste got to the point where it could fuel all of its trucks for free with the natural gas produced at its landfill locations?

There's a competitive advantage that would be tough to beat!

The company also converts landfill gas into electricity at a number of its sites in the U.S.

Progressive Waste reported solid Q2 2015 adjusted net income of $0.29 per share and increased its dividend by 6.3%. The company also plans to buy back up to 10 million shares over the next year.

The stock currently trades for $36 per share, just under its 52-week high of $38.50.

Rogers Communications

You wouldn't think that hockey and baseball fans could have a big impact on the success of a cable and cell phone company, but that's exactly what's happening with Rogers.

Last year was the first season of a 12-year deal that allows Rogers to be the exclusive broadcaster of the NHL in Canada. For most of the winter, investors were wondering what management was thinking when it signed the $5.2 billion agreement.

Viewership was way down by mid-season and advertisers must have been asking why they paid top rates to plug their products during the overhyped broadcasts. By year-end everyone was happy again after fans returned in waves to watch the playoffs.

That momentum has carried into the baseball season.

The Blue Jays are set to deliver their best performance in more than two decades. That's great news for Rogers because the company owns the team.

Rogers reported strong free cash flow growth in the second quarter, and investors are hoping the star performance in the media division will continue when the Q3 numbers come out.

Rogers is also making good progress on turnaround efforts in its cable and mobile operations, so things seem be on track for the end of this year and into 2016.

Rogers pays a dividend of $1.92 per share that yields 4.4%. The stock trades at $46, just shy of the 12-month high of $47.50 per share.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. TSX:RCI.B (Rogers Communications Inc.)

Category

1. Investing

Date
2025/07/25
Date Created
2015/09/24
Author
aswalker