3 Stocks You Can't Go Wrong With in a Bear Market

Description

The **S&P/TSX Composite Index's** journey so far this year has been nothing short of a roller-coaster ride. The index is barely in the green right now, leaving investors wondering if a correction is around the corner. With volatility also rearing its head south of the border under Donald Trump's presidency, and Europe grappling with Brexit concerns, investors' fears aren't misplaced.

While no one can predict if and when the markets will make a U-turn, it always helps to fortify your portfolio with stocks that wouldn't let you down even during bear markets, thanks to their defensive businesses and strong dividends. Here are three such stocks to consider today.

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

As the leading wireless, cable, and internet provider in Canada, Rogers is a solid bet on a growing industry. The wireless segment in particular is where all the action is; Rogers added 93,000 net wireless postpaid connections during just its fourth quarter — up a whopping 50% year over year. Meanwhile, Rogers is gearing up to bring **Comcast's** X1 IPTV service to its customers early next year to up its ante in the cable business.

Rogers's projections of single-digit growth in revenues and free cash flow (FCF) this year might not sound too exciting, but dominating the high-potential wireless segment amid intense competition is no small feat. Chances are, consumers won't delay switching to high-speed wireless or internet service just because the stock market is falling, which is why Rogers deserves to be in your portfolio today. Higher FCF could also mean dividend increases, and Rogers already pays a decent yield of 3.4%.

Fortis Inc. (TSX:FTS)(NYSE:FTS)

This electric and gas utility is perhaps one of the best stocks you can own during uncertain times. Not only is demand for essentials like gas and electricity resilient to economic cycles, but Fortis's earnings are also highly regulated, which insulates its top and bottom lines from wild fluctuations. The company's recent multi-billion-dollar acquisition of U.S.-based ITC Holdings Corp. should be the key to its growth in coming years.

The other reason why I love Fortis is its reliable dividend. The company has increased its dividend for 43 straight years and aims to grow it at 6% annual average clip through 2021. Add in the stock's dividend yield of 3.7%, and Fortis could be the outperformer in your portfolio during bear markets.

Brookfield Infrastructure Partners L.P. (TSX:BIP.UN)(NYSE:BIP)

If you can find a company that owns and operates infrastructure assets in industries like utilities, communications, energy, and transport, you've probably found a fantastic defensive play to help you sail through a market downturn. Brookfield Infrastructure Partners is all this and more. With almost 90% of its revenues regulated or contracted, investors needn't worry about how the company will fare if the markets tank.

The company's fund from operations and dividend per share has grown at annual compounded rates of 22% and 12%, respectively, since its inception in 2008. With the stock yielding 3.4% currently and management targeting annual dividend growth of 5-9% in the long run, investors can easily bank on Brookfield Infrastructure Partners if the markets reverse.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:RCI (Rogers Communications Inc.)
4. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
5. TSX:FTS (Fortis Inc.)
6. TSX:RCI.B (Rogers Communications Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date
2025/07/23
Date Created
2017/03/29
Author
nehams