



As the Market Selloff Picks Up Steam, Prepare to Add These 2 Stocks on Weakness

Description

With the market continuing to fall this week, after falling 2.2% from its highs last week, it's a good idea to start thinking of which stocks to buy on [weakness](#).

Consider companies that have solid fundamentals, clean balance sheets, and economic resiliency.

Let's take a look at two [quality stocks](#) that should be on your radar as stocks to add on market weakness for long-term value creation.

Metro ([TSX:MRU](#))

Down 4.8% since the beginning of April, Metro stock is one of the quality stocks that I will point out here for its resiliency, strong history of shareholder value creation, and solid fundamentals that will remain even in difficult economic times.

It is in the grocery and pharmacy businesses, which are pretty much immune to the ups and downs of the economy due to the nature of the products being sold.

The annual dividend was increased by 16% in 2017 to \$0.65 per share, by 10.8% in 2018, and by 11% in 2019 to the current \$0.80 per share.

Metro has a solid balance sheet, and the acquisition of Jean Coutu pharmacy is adding new growth opportunities for the company.

TC Energy ([TSX:TRP](#))([NYSE:TRP](#))

Down almost 3% since the end of April, TC Energy is another stock that will continue to stand the test of time, as it has in the past due to its strong assets, management, and balance sheet.

With an economically insensitive business and a growing dividend, this stock is a great one to add on market weakness.

In the last 10 years, the dividend has grown from \$1.52 per share to the current \$3 per share for a current dividend yield of 4.79%.

With a cash flow payout ratio of below 30%, TC Energy remains a solid, defensive pick for safety of principal and dividend growth.

Knowing when to pull the trigger

Deciding when to back up the truck and buy these stocks is the other half of the battle and a very difficult decision, but for now we can at least zero in on some high-quality stocks that we know will recover from any market weakness heading their way.

Many of us were caught off guard after the late 2018 market selloff was a short-lived blip that proved to be a great buying opportunity. I suspect that this time around, things will not be so easy, as trade tensions are high, global economic growth is anemic, and we still have the debt problems that never really left us.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:TRP (Tc Energy)
2. TSX:MRU (Metro Inc.)
3. TSX:TRP (TC Energy Corporation)

PARTNER-FEEDS

1. Msn
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