



## 2 Reliable Stocks for a Market Downturn

### Description

Investing in the stock market is not for the faint of heart. Those who are easily agitated by slight volatility usually chicken out and sell at a loss. Over the course of time, seasoned investors have learned to defy headwinds or counter market volatility.

The threat of recession or recently the trade war will naturally jolt markets. But when you're invested in **Pembina Pipeline Corp.** ([TSX:PPL](#))([NYSE:PBA](#)) and **Imperial Oil Limited** ([TSX:IMO](#)), there's no reason to push the panic button. These two energy stocks are reliable and capable of surviving market downturns. Your invested funds remain intact with only negligible, if not zero losses.

### Triple-A midstream service provider

The 60-year old Pembina Pipeline is one of the premier pipeline companies in North America. What's nice about this **TSX 60** member is its diversified asset portfolio of crude oil, condensate, NGL, and gas. These are income-generating, high-quality assets that deliver billions in revenue annually.

Dividend investors have amassed [huge dividends](#) from this dividend aristocrat; the company has raised dividends for seven straight years. With seven big and ongoing pipeline projects, the current yield of 4.6% is sustainable. Further, infrastructure development contracts and service agreements run for 10 to 20 years.

When it comes to budget management, service delivery, and project completion, Pembina boasts an excellent track record. Efficiency and timeliness are the hallmarks of their success. Pembina has never overshot the budget, and the majority of the company's projects are completed ahead of the stipulated schedules.

PPL is up 20.73% year-to-date and analysts are recommending a "buy" rating. Even if the global economy is on the cusp of a slowdown, the price could potentially climb to a new high of \$61 in the months ahead.

## A stock to erase market fears

Imperial Oil Limited reported better-than-stronger earnings in 2018. Canada's second-biggest integrated oil company turned in \$2.3 billion in profits from \$33.3 billion revenue. Investors in the energy space have one piece of advice when the sector is threatened, and an integrated oil company can [mitigate risks](#).

IMO's 2.0% dividend is modest. But 24 consecutive years of dividend payouts, the stock has been elevated as a dividend aristocrat. This \$29.0 billion company will not be affected by lower prices because they manage their own refineries.

For instance, an energy company like **Cenovus Energy** that is strictly focused on production but without refining capacity would reel from deep discounts.

There is talk that the Canadian government is about to make a decision on a major oil pipeline project. The expansion of the Trans Mountain oil pipeline will add 590,000 barrels of daily shipping capacity. By adding more pipeline space, the pressure on local crude will lessen and prices would improve.

The decision is expected next month. Imperial Oil, through its majority owner, has already signified its intention to ship on the expanded line. If you didn't know, Exxon Mobil Corp. ([NYSE:XOM](#)) owns almost 70% of the company. That makes Imperial Oil a solid, trustworthy investment prospect.

### CATEGORY

1. Energy Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:IMO (Imperial Oil Limited)
3. TSX:PPL (Pembina Pipeline Corporation)

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