



Worried About a Market Crash? Buy These 2 Stocks Today

Description

Have you felt as though the markets have been in turmoil as of late? We have been swimming in a sea of red.

May ended up being the worst month of the year for North American markets. The TSX Index lost 3.3% of its value — a far cry from the monthly positive gains from January through April. As the markets once again turn jittery, what should you do to protect yourself?

The best way is to invest in industries that are inversely correlated to a struggling economic environment and potential rate cuts — those that provide safe and reliable income.

Utilities are the perfect hedge against a struggling economy. They also thrive in low interest rate environments. As such, stocks such as **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) and **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) are great defensive stocks for your portfolio.

An emerging utility giant

Whereas the market has struggled to find a footing, Algonquin Power has quietly been providing decent returns. Year to date, the company has returned 15.15% and it has posted a 3.94% return over the past month. As you can see, the company outperforms when the market struggles.

Algonquin is a Canadian Dividend Aristocrat with an eight-year dividend-growth streak that currently sports an attractive 4.47% yield. Although not as impressive as some of Canada's other utility companies, it has one of the highest growth rates in the industry. This is what makes the [company so attractive](#).

Over the next five years, Algonquin Power is expected to grow annual earnings and sales in the high single digits. This mid-cap utility company has been growing at an impressive pace and is the perfect addition to help navigate rough market waters.

Canada's largest utility company

Does bigger mean better? In this case, it does. Fortis has been one of Canada's most reliable utility companies for decades. Over the past five years, only Algonquin's stock has outperformed Canada's largest utility company.

Fortis also holds the second-longest dividend-growth streak in Canada at 45 years. This Canadian Dividend Aristocrat is as reliable as it gets. It also has a transparent dividend policy in which it has a targeted dividend-growth rate. It has pledged to grow dividends by 6% annually through 2023.

Analysts expect 5% average annual earnings growth over the next five years. There is [nothing flashy](#) about Fortis, but then again, that is the point.

Foolish takeaway

Safe and reliable stocks may be boring, but they will anchor your portfolio in times of market volatility. Fortis and Algonquin are the perfect examples of stocks that outperform when the markets get jittery.

Worried about a market crash? You can rest easy knowing Fortis and Algonquin can keep your portfolio from capsizing.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:FTS (Fortis Inc.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:FTS (Fortis Inc.)

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