



3 Blue-Chip Stocks to Buy Now and Never Sell

Description

If you've been investing for even a little while now, the phrase "blue-chip stock" shouldn't be new to you. But if you're new to investing, blue-chip stocks are companies that are well known in their industry and nationally, have solid reputations for quality, reliability, growth, and are financially sound no matter what the markets are doing.

Needless to say, these stocks are ones you absolutely would want in your portfolio ahead of a recession. When the markets go down, these stocks will likely dip; however, they also will likely rebound much faster than most of the market. These companies also tend to have dividends, so even if your shares are down, you'll still receive cash while you wait for a rebound.

With an incoming recession, there are a lot of bargains out there, but I would consider these three blue-chip stocks that are all trading at a discount as of writing. Once you do, hold on tight and never let go if you want to see your portfolio skyrocket.

CP

There are a number of reasons to like **Canadian Pacific Railway** ([TSX:CP](#))([NYSE:CP](#)). The company has had quite the turnaround in the last number of years, as new management made significant cuts and reinvestment in the company that has set it on the path to first place in the duopoly on Canadian rail.

Now that the initial cost is done, investors are starting to see the payout from a strong company that has put cash back in its pockets. Ahead of a recession, railways are a great buy, because no matter what, products must be shipped. This has included oil as of late, which has seriously increased the company's revenue. The company has also increased its dividend again and again, so investors should continue seeing strong growth in both shares, dividends, and the overall company for decades to come.

Royal Bank

Out of Canada's Big Six banks, **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) has to be [at the top](#). That's because the bank consistently performs well during its earnings reports and has branched out into incredibly lucrative areas that have been bringing in cash for years and will continue to do so for years more.

Those areas include its recent expansion into the United States and into the wealth and commercial management sectors. These areas will likely help as the housing market declines, but Royal Bank has proven it's prepared for any economic downturn. That makes its current 10% discount a steal for those looking to scoop up a bargain.

Brookfield

Finally, **Brookfield Asset Management** ([TSX:BAM.A](#)) is an excellent way to [diversify your portfolio](#), and take advantage of a bargain stock. The company is the head of a number of other Brookfield organizations that mainly invest in infrastructure. That means it has its hand in everything from real estate to renewable energy resources. That makes it a great stock to pick up ahead of a market downturn to give you some diversified exposure to different areas of the market.

This method of making money has certainly worked for the company in the last decade, with revenue growing from US\$12.1 billion in 2009 to US\$56.7 billion in 2018. Yet again, we have a stock slightly undervalued at the moment, making it a great long-term buy for investors.

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1. NYSE:CP (Canadian Pacific Railway)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:BN (Brookfield)
4. TSX:CP (Canadian Pacific Railway)
5. TSX:RY (Royal Bank of Canada)

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Author

alegatewolfe

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