



3 Stocks to Buy Ahead of Recession — According to This Wall Street Firm

Description

It was a tough month for investors in August. If you were watching your portfolio closely, you likely weren't all that happy with the results you were receiving. Shares slumped lower and lower over the last full month of summer, but one Wall Street firm believes there's a light at the end of this dark tunnel.

With this massive August sell-off, it leaves ample opportunity to buy up stocks on the cheap, according to **JPMorgan Chase & Co.** Many of the world's indexes are now trading near points not seen since May, and believe that this pullback in the market will last for about as long as the May one did.

That means there isn't much time for investors wanting to get in on cheap prices, and investors should be looking for great deals on long-term stocks at this moment. So here are three to consider.

TD

While financial institutions have been getting a bad rap as of late, that's due mainly to the short-term outlook for these businesses. Banks such as **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) are still great investments for those looking to bring in some dividends and see steady long-term growth.

Investors should be looking into stocks that they can buy and hold for the next decade or so, which leaves banks like TD as a prime candidate.

That's because TD has a diverse portfolio investors should flock to. The bank's recent expansion into the United States has brought in tons of cash, with its banks as one of the top 10 in the country and the opportunity for further branches to be built.

At home, its wealth and commercial management sectors are another area that should prove highly lucrative in the long term, and already has. TD is already in a great position, and while a few earnings over the next year might prove less than ideal, for long-term investors, this is a great stock to pick up before a recession.

Suncor

This stock is pretty much the [best deal](#) out there at this moment, which is why investment tycoon Warren Buffett picked it up back in February. The stock trades at almost half its fair value price — that's only due to the oil and gas industry slump rather than anything the company is doing itself.

Suncor Energy Inc. ([TSX:SU](#))([NYSE:SU](#)) stands to make huge gains with a rebound, as seen in its strong quarterly reports it continues to dish out despite the plunge in the energy markets.

Those gains have come from the company's completely integrated system; even when oil and gas prices are down, Suncor can take advantage by fuelling its investments and taking the opportunity to drill and explore while they can on the cheap. For those looking ahead even a couple of years, this stock should skyrocket once the oil slump is over.

CNR

Finally, **Canadian National Railway Co.** ([TSX:CNR](#))([NYSE:CNI](#)) has been backed by many Wall Street firms due to its recession-proof portfolio. The company is currently reinvesting in its infrastructure, meaning that the future looks incredibly promising for this company that shares a duopoly in Canada for the railway system.

That railway system will continue to be needed even during the lowest point of the recession, as people need to eat, build, and drive, and rail offers a [cheap and consistent](#) way to ship those products across North America.

In fact, if you look back at the time during the last recession, there isn't even a blip on CNR's radar. This company has been steady as a rail for decades, making it a great stock to buy if you're wanting to ride through this recession.

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