



2 Top Stocks to Consider Ahead of the Fourth Quarter

Description

As we near the end of September, it is time to start thinking about how to position your portfolios for the end of the year. For investors who analyze their investments quarterly, now is the perfect time to see how your portfolio has performed and make any changes if necessary.

Depending on how you were positioned, you may want to add a stock that's more defensive in nature, or you may want to add a gold miner.

Heading into the fourth quarter, the market is as uncertain as it's been all year, and investors should be prepared to have their portfolio ready.

A stock you could add to your portfolio to give it some stability is **Canadian Utilities Ltd** ([TSX:CU](#)).

Canadian Utilities

Canadian Utilities is a top stock for investors looking to add some stability to their portfolios. It's a top stock to pick because it's one of the top performers in an industry of companies that are meant to stabilize your portfolio.

86% of Canadian Utilities' earnings are regulated, allowing it to pay out a hefty dividend as it knows its cash flows are predictable. The dividend yields 4.3% and to keep it even more sustainable, the company keeps it at a less than 50% payout ratio.

On the valuation side of things, Canadian Utilities' price to book ratio is near 2.0 times, which is a little pricey, but investors do pay a slight premium now for stability and safety.

It has one of the highest return on equity ratios the last few years, well above the Alberta utility average.

Buying utilities stocks will insulate investor's portfolios from volatile swings in revenues and earnings of companies that have less stable income, and Canadian Utilities is a top choice.

If you were looking for a [gold stock](#) to add, for portfolio safety as well as upside exposure, the best one to buy would be **Newmont Goldcorp Corp** ([TSX:NGT](#))([NYSE:NEM](#)).

Newmont

Newmont has been a top performer since the merger of Newmont and Goldcorp. Since April 30, it's up ~20% and has plenty more room to grow if the price of gold continues its rally.

Gold has stalled recently as investors wait and see what developments come to the market. Regardless of the news, the uncertainty is heating up again and the rally for gold will soon continue.

Newmont is a top gold stock because it's one of the largest gold companies in the world with assets across the globe. Its numerous mines will provide up to 7.4 million ounces of production next year.

As well as its many assets that are up and running, Newmont also has a number of growth projects in its pipeline as well.

A further rally in the price of gold will surely set Newmont's stock soaring, as it's extremely leveraged to the price of gold due to its operations and fantastic margins.

Investors looking for exposure to gold stocks should get in now before the rally continues, or risk missing out on a vital opportunity.

Bottom line

Maintaining your holdings is an important aspect of investing to make sure your portfolio is on the right path. As well as looking for new companies to add and making sure you aren't too exposed to one sector of the market, it's also a time to reflect on your holdings and decide if it's time any stocks were sold.

Holding losers is one of the number one ways investors wipe away hard-earned gains they have made over time. It's critical when reviewing your portfolio to see if you have any potential disasters in your holdings.

CATEGORY

1. Dividend Stocks
2. Investing
3. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:NEM (Newmont Mining Corporation)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:NGT (Newmont Mining Corporation)

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