



The Best Stocks to Buy During the Next Correction

Description

Stock market corrections are both stressful and exciting at the same time. I choose to focus on the exciting aspect of it and think about an action plan. So let's do it.

We know that [market corrections take everything down](#), no matter the industry, the health of the company, or the long-term outlook. In this article I would like to focus on putting together an action plan for the next correction. I have therefore singled out two of the best stocks to buy in this situation.

TC Energy Corp.

With over 95% of revenue coming from regulated or long-term contracts, **TC Energy Corp.** ([TSX:TRP](#))([NYSE:TRP](#)) offers a low risk stock that is a great buy during the next correction.

If we look to the last “mini” correction in late 2018, we can see the type of upside (+30% year-to-date) that can exist even with a low risk stock like TRP stock if timed right.

Being in the energy infrastructure and pipeline business, TC Energy has [little sensitivity to economic cycles](#) and has the staying power that makes it an attractive long-term buy.

It also has a strong history of dividend growth and a strong future of dividend growth predicated on the many visible, low risk growth opportunities that the company has at its doorstep.

From 2000 until 2015, the dividend grew at a compound annual growth rate of 7%, and it's expected that between 2015 and 2021, the CAGR in dividends will accelerate between 8% and 10%.

This growth will be supported by the company's more than \$20 billion of projects under development. The Keystone XL, which will provide a direct link to the U.S. Gulf Coast, the world's largest heavy oil refining market, is one of the more well-known growth projects that TC Energy is undertaking.

The NGTL System expansion, which will take growing western Canadian natural gas supply to markets within Canada, the U.S., and LNG markets, is another growth project that the company has undertaken.

With its current strength, future growth, and long-term sustainability, TC Energy stock is a stock to add during a market correction.

Northwest Healthcare Properties REIT (TSX:NSH.UN) is another stock to buy during a market correction. It is not as well known, but also has staying power and the opportunity to benefit from long-term growth in its industry.

Northwest is a healthcare REIT that's benefiting from the aging population. Northwest owns a high-quality global, diversified portfolio of healthcare real estate properties located throughout Canada, Brazil, Germany, Australia, and New Zealand, giving it real exposure to the biggest demographic shift that much of the developed world is facing.

We will always need hospitals, health services, and the medical real estate associated with these things. And our needs for these things are increasing along with the aging population, putting Northwest in a very favourable position.

Northwest is currently yielding a generous 6.72%. It is a dividend that has been stable over the last many years backed by a strong and growing portfolio of healthcare properties and an exceptionally high occupancy rate of 96.8% (98% on its international portfolio).

Foolish bottom line

I think it's fair to say that the next correction is likely coming sooner rather than later. And while it's difficult to predict the exact timing, we can at least be ready for it by pouncing on the many opportunities that inevitably arise during a market correction.

In this article, I have put forth two companies that would be strong buys on weakness. When the correction comes, try to redirect all of your negative energy toward something positive: buying these stocks on weakness so that you can come out ahead and better off for it.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:TRP (Tc Energy)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:TRP (TC Energy Corporation)

PARTNER-FEEDS

1. Business Insider

2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/09/11

Date Created

2019/09/29

Author

karenjennifer

default watermark

default watermark