Savvy Retirees: 3 Recession-Proof Stocks for 2020

Description

Hi there, Fools. I'm back to call your attention to three large-cap stocks for your watch-list — or, as I like to call them, my top "forever income" assets. As a refresher, I do this because companies with a market cap of more than $10 billion

- can stabilize your portfolio during periods of high volatility; and
- provide steady and healthy dividends year after year.

So, if you're a retiree looking to recession-proof your portfolio in 2020, this is a good risk-averse place to start.

Let's get to it.

Eagle eyes

Kicking off our list is **Agnico Eagle Mines** (TSX:AEM)(NYSE:AEM), which boasts a market cap of $17 billion. Over the past year, shares of the gold producer are up a solid 49%.

Agnico's long track record (compound annual growth of 12% since 1998) and stable production (1.63 million ounces of gold produced in 2018) should continue to reward long-term shareholders. Since 1983, in fact, the company has doled out roughly $961 million in dividends.

"With Meliadine ramping up to full production over the balance of the year and Amaruq on schedule to achieve commercial production in the third quarter of 2019, the Company is well positioned for a strong second half from both a financial and operational perspective," said CEO Sean Boyd in the most recent report.

Agnico offers a dividend yield of 1.0%.

Fresh choice

Next up, we have grocery store giant **Loblaw Companies** (TSX:L), which currently has a market cap of $26 billion. Over the past year, the stock is up a solid 32%.

Loblaw continues to leverage its scale (Canada's largest grocery store chain), well-known brands, and growing digital presence to deliver strong returns for shareholders. In the most recent quarter, operating income increased 15% as revenue increased to $11.1 billion.

"We delivered on our financial plan in the quarter," said Executive Chairman Galen Weston. "We have a long-term approach to investing and to building customer loyalty, and we remain committed to our strategy."

Loblaw currently trades at a forward P/E of 15, offers a decent dividend yield of 1.8%, and sports a comforting beta of 0.3.

Roger that

Our final large-cap pick this week is **Rogers Communications** (TSX:RCI.B)(NYSE:RCI), which currently sports a market cap of $34 billion. Shares of the telecom giant are down slightly over the past year.

While the stock has been disappointing in 2019, Rogers's massive scale (roughly 10.8 million subscribers), diversified business model, and hefty cash flows are tough to pass on. In the most recent quarter, EBITDA rose 9% to $1.64 billion as revenue ticked up 0.5%.

Moreover, net postpaid wireless additions clocked in at 77,000, bringing Rogers's total postpaid base to 9.26 million.

"We delivered strong growth across all the key value drivers of our business, while making the right long-term investments and significantly advancing our strategic plan," said President and CEO Joe Natale.

Rogers shares currently trade at a forward P/E of 14 and offer a healthy dividend yield of 3.1%.

The bottom line

There you have it, Fools: three top income stocks worth considering.

As always, they aren't formal recommendations. Instead, see them as a starting point for further research. Even the largest companies can suffer setbacks, so plenty of your own due diligence is still required.

Fool on.

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TICKERS GLOBAL

1. NYSE:AEM (Agnico Eagle Mines Limited)
2. NYSE:RCI (Rogers Communications Inc.)
3. TSX:AEM (Agnico Eagle Mines Limited)
4. TSX:L (Loblaw Companies Limited)
5. TSX:RCI.B (Rogers Communications Inc.)

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