



## TSX Investors: This Is the #1 Stock to Buy for a Recession

### Description

Recession is in the air. But **TSX** investors who sell their quality stocks now have got the market backwards. Markets like this are rare and constitute a contrarian buffet of beaten-up bargains. On the flip side, some stocks are a buy at any price.

### A top stock for TSX investors

**Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) rallied Tuesday by 4%, thus evening out its five-day losses to 5.6%. This shows a fairly sturdy stock. That 36-month beta of 1.17 really comes into play at times like this.

Indeed, Brookfield Asset Management has performed well when you consider some of the losses incurred by the TSX. It's a popular buy, having shed less than 6% since the sell-off began last week.

Buying shares in Brookfield Asset Management is almost like buying a mini-portfolio in itself. Its dividend could be higher, currently yielding 1.29%. But what it brings in terms of diversification makes it a long-term buy.

Diversification is the big draw of this name. Its assets comprise real estate, green energy, private equity, and infrastructure. As such, it's a strongly defensive stock to buy and hold for the long term. TSX investors can access upside from a range of lucrative sectors, including office space and retail sites, plus wind, solar, and hydroelectric power.

Canadian stock investors also gain exposure to utilities and transport infrastructure, as well as the private equity side of business and infrastructure services.

Brookfield Asset Management's balance sheet is weighted toward real estate and private equity. It's also strongly geographically diversified, spanning North America, Brazil, and Australia.

## How avoidable was this sell-off?

The coronavirus is [hitting the markets hard](#). First the event was deemed a black swan. Now it's looking more like a gray rhino. But what's the difference for TSX investors? A black swan is an event that can't be foreseen.

It causes mountainous damage and can only be rationalized retrospectively. A gray rhino, on the other hand, is an obvious event that gets overlooked. Both events trample the markets, however.

Scientists have long predicted a pandemic and have also flagged climate crisis. But both have been overlooked. It's easy to look back at events and see how they could have been avoided.

Oil companies could have diversified into renewables sooner, for instance. Diversification is key for TSX investors [seeking safety and income](#).

Now both of these "gray rhinos" are converging. And there's one sector in particular that's getting walloped: the oil sector. Canadian investors have some tough choices to make right now. But the answer is not necessarily to sell everything. There are other ways to play the sell-off, from trimming to buying into weakness.

## The bottom line

Top stocks like Brookfield Asset Management are a reassuring buy at any price. It may be a little too soon for TSX investors to buy big names all in one go. But value opportunities will be everywhere if you wait for the market to bottom out.

Buy a name if you see something on sale, but consider buying half now and half on further weakness.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

## Category

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

## Date

2025/09/15

## Date Created

2020/03/12

## Author

vhetherington

default watermark

default watermark