



Invest Like the Experts With These 3 Top Picks

Description

We are entering what appears to be a potentially deep and economically destructive recession. Many investors are now moving from backward-looking earnings reports to future estimates of stability and earnings potential post-recession.

I highly recommend investors move to such a mindset, as historical performance ought to be discounted right now. With this framework in mind, I've got three picks I believe will outperform once we find a bottom.

BCE

The telecommunications sector across North America is one place Canadian investors should look to for stability and growth following the eventual resumption of normal levels of economic activity. I expect **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) and its peers to be among only a few select companies that have the potential to weather the storm over the coming quarters.

Further, I expect BCE to potentially report some small amount of growth. Consumers are continuing to use more data and spend on mobile, internet, and TV/streaming services. These are unlikely to be cut or reduced at all.

BCE is the parent company of Bell and has a strong network in Canada. Therefore, BCE is my top choice in the Canadian telecom sector for long-term investors.

Enbridge

Any company even remotely linked to the Canadian energy sector has been decimated in recent months. Commodity prices continue to plunge to lows not seen in nearly two decades.

The reality for energy infrastructure companies like **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is that while some level of counterparty risk does exist, the recent market selloff we've seen across the board, in my

opinion, may be unfairly impairing certain companies' equity valuations, such as Enbridge.

This is a company which has a high percentage of its revenue stream locked in via regulated contracts. Enbridge has consistently paid its dividend in the past through good times and bad. The company's dividend now sits around 8% at the time of writing, by the way.

In addition, Enbridge is likely to maintain cash flow, despite these low commodity prices due to the highly integrated nature of their business model. Enbridge is well insulated against sector-wide issues that may adversely affect other companies. This is because, as a highly integrated energy infrastructure company, Enbridge has invested in both upstream and downstream operations.

Suncor

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) is perhaps the highest-risk, highest-reward pick on my list. The reality remains that Suncor Energy is a Canadian energy giant. Suncor carries massive economic importance for Alberta and for Canada as a whole.

The company is likely to be in trouble if the price of Western Canadian Select remains so subdued for any extended period of time. But I expect the oil price situation to become a political one soon. The government will surely step in before we see too many bankruptcies in the energy patch. With some energy companies seemingly on the cusp of bankruptcy, government intervention seems to be imminent. This will only help Suncor and my other [top energy picks](#).

Stay Foolish, my friends.

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:ENB (Enbridge Inc.)

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