



3 Stellar Investments to Counter Volatility

Description

As much as the market appears to be moving again in the right direction, there's still plenty of volatility. Many of the best-performing stocks are still trading at discounted levels. Further to this, some of those stellar investments also provide juicy dividends for investors.

Here's a look at a few of those investments to augment your portfolio.

Safety: Look for your essentials

One of the most overlooked aspects of investing in this economy is selecting investments that cater to necessities. Luxury retailers and restaurants may be shuttered, but grocery stores, utilities, and telecoms are open. Not only are these investments stable now, but many of these stocks also have a [defensive appeal](#) beyond the current slowdown.

One example of this is **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). As one of the largest utilities on the continent, Fortis is charged with keeping the lights on for millions of subscribers. The company's reach extends across the U.S., Canada, and into the Caribbean, providing a diversified stream of recurring revenue for investors.

While many stocks and the market itself are still posting double-digit losses in 2020, Fortis has emerged from the recent pullback and boasts a 2% gain year to date. Throw in a stable (and growing) quarterly dividend that pays out a respectable 3.49% yield, and you have a stellar option.

This stellar business is full of waste

Speaking of overlooked businesses, let's take a moment to mention **Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#)). No matter how bad the economy gets, people will always generate trash. Waste Connections has a growing list of clients across the U.S. and Canada to collect that trash. This stellar investment option operates in both exclusive and secondary markets, providing both growth opportunities and a growing base of revenue.

By way of example, during fiscal 2019, the company had an operating cash flow of \$1.54 billion. During that year, Waste Connections spent \$400 million on acquisitions, meaning exposure to new markets and establishing new revenue streams. For fiscal 2020, the company had earmarked \$500 million towards acquisitions.

Like Fortis, Waste Connections has finally pushed into positive territory during 2020. As of time of writing, the company is hovering north of 4% for the year. In terms of a dividend, Waste Connections currently offers a 0.85% yield. While this may resemble more of a rounding error to income-seeking investors, Waste Connections has provided ample annual or better bumps to that dividend.

In short, buy this stellar option and watch it grow.

A great pick for online investors

Perhaps the most overlooked aspect of this new norm of remote working and home-schooled children is connectivity. Networks are jammed with video conferences, calls, and projects stemming from a growing number of connected devices. For **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), this may just be business as usual.

BCE is one of the largest telecoms in Canada, offering internet, TV, phone, and wireless subscriber services. That subscriber base provides a diversified and defensive revenue stream that should appeal to nearly any investor. But why should you invest? There are three points to consider that make BCE a stellar option.

First is BCE's wireless segment. Wireless devices have grown in importance in recent years. Cellular internet access and data-hungry apps were cutting edge a decade ago; today they're the norm. As the next generation of devices gets released, it ushers in a new suite of data-hungry apps that drive wireless revenues higher.

Next, there's the defensive aspect I hinted at above. The need for internet access is increasing exponentially in this pandemic, and not just from the wireless segment. This growing necessity has only increased the already defensive appeal of BCE, which is not going to change anytime soon.

Finally, let's talk dividends. BCE offers a quarterly dividend that currently works out to an appetizing 5.84% yield. Even more impressive than that yield is the fact that BCE has maintained annual bumps to that dividend for over a century. This fact alone makes BCE a stellar investment for [income-seeking investors](#).

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:WCN (Waste Connections)
4. TSX:BCE (BCE Inc.)
5. TSX:FTS (Fortis Inc.)
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