



## 3 Stocks to Buy in 2020

### Description

Choosing which stocks to put into your portfolio isn't easy these days given the stock market's volatility in 2020. However, there are still many good buys out there that are safe during the short term and that will likely continue delivering long-term value to investors for many years.

Here are three stocks that are good buy this year that you can safely hold in your portfolio during the pandemic:

### Telus

**Telus Corporation** ([TSX:T](#))([NYSE:TU](#)) is a solid blue-chip stock that is not only stable, but one that pays a great dividend as well. The company's quarterly dividend payments of \$0.29125 yield more than 5% annually.

And although shares of Telus are down around 9% this year, it's still a better performance than the **TSX**, which is down 13% over the same period. Telus has generally been a safe stock to outperform the TSX as well. The best feature of Telus' stock is that it's stable. It's a low volatility stock that won't take your portfolio on wild swings.

A big reason for that is that Telus can consistently generate strong results. The company released its most recent quarterly results on May 7, which showed revenues were still up 5.4% year over year. And while net income was down by 19%, the company blames that on higher depreciation and amortization costs due to recent acquisitions — including ADT Canada. But with \$353 million in profit on revenue of \$3.7 billion, Telus still netted a strong profit margin of 9.6%.

### Thomson Reuters

**Thomson Reuters** ([TSX:TRI](#))(NYSE:TRI) is another strong stock that you can hold in 2020 and over the long term. Accurate information is more important than ever before and Reuters is a trusted name when it comes to reporting news.

The company's coming off a strong quarterly report it released on May 5 where it reported revenue of \$1.5 billion, a 2.2% increase from the prior-year period. Reuters also saw its operating profit rise from \$274 million to \$290 million. It did, however, adjust its outlook down from its previous forecast.

The company was projecting organic revenue growth in 2020 of between 4% and 4.5% and Reuters is now expecting growth of no more than 1%. But the good news is that it's still expecting strong free cash flow of around \$1 billion for the year. It's not a bad outlook given that many companies are in much worse positions due to the pandemic.

As a bonus, investors also earn a solid yield from owning the stock as well as it pays 2.3% annually. Year to date, the stock is up 2%.

## Hydro One

**Hydro One** ([TSX:H](#)) is another stock that's been chugging along well this year with its share price up around 2% since the start of the year. While the utility stock isn't an exciting investment, like Telus and Reuters, it's a good place to park your money. Whether it's just for 2020 or for the long term, it can be a great source of recurring income for your portfolio.

Its quarterly dividend payments of \$0.2536 provide investors with an annual yield of 4% per year. If you could earn 6% this year (4% through dividend income and 2% through capital appreciation), that could prove to be a solid return given the impact COVID-19 is having on many industries.

In the company's most recent quarterly results, released May 8, Hydro One's revenue rose by 5% from the prior-year period. Although higher operating expenses shrunk its margins, the company still reported net income of \$232 million — good for a profit margin of 12.6%. COVID-19 may saddle the company with additional costs this year, but Hydro One is a [safe](#) bet to continue to produce profits.

Over the long term, there's little doubt that the company can be a solid investment to hold in your portfolio that can deliver both [dividends](#) and capital appreciation.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. NYSE:TU (TELUS)
3. TSX:H (Hydro One Limited)
4. TSX:T (TELUS)
5. TSX:TRI (Thomson Reuters)

## **PARTNER-FEEDS**

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

### **Category**

1. Dividend Stocks
2. Investing

### **Date**

2025/08/17

### **Date Created**

2020/05/16

### **Author**

djagielski

default watermark

default watermark