



Market Crash 2.0: Buy These 3 Stocks for Long-Term Growth and Stability

Description

Are you worried about another market crash? You can protect your portfolio by investing in blue-chip stocks with stable businesses that are safe investments to hang on to for years. With the three stocks listed below, you can help keep your portfolio safe from significant corrections by investing in strong businesses that are likely to survive both pandemics and [recessions](#).

Waste Connections

Waste Connections ([TSX:WCN](#))([NYSE:WCN](#)) is in the business of collecting, transferring, and disposing of waste. It also offers recycling services. The company's grown by acquisitions over the years, and there's plenty of room for it to continue to expand.

There's a lot of fragmentation in the industry, and a company like Waste Connections, which generates strong free cash flow, will always have plenty of opportunities to get bigger and grow its market share. The company's recorded positive free cash flow in each of the past 10 quarters, including in the most recent period, Q2, where many businesses were shut down and not operating anywhere near capacity.

Sales of US\$1.3 billion in Q2 were down a fairly modest 4.7%, as the company's business proved to be fairly resilient amid the pandemic. Investors have also been buying up shares of Waste Connections, with its stock rising more than 15% this year, soundly outperforming the TSX, which has declined by more than 5%. As an added bonus, investors can also earn a modest dividend yield of 0.7% from holding shares of the company, padding their returns even further.

Canadian Western Bank

It's not one of the Big Five banks, but **Canadian Western Bank** ([TSX:CWB](#)) can be an opportunity for investors to buy a cheap financial stock for the long term. Focused on Western Canada, the bank's smaller footprint can make it a more predictable investment to hold, exposing investors to less risk overall.

The company reported its third-quarter results on August 28, and sales of \$226.5 million were not only stable; they were up more than 4% from the prior-year period. Provisions for credit losses of \$24.4 million were down from the previous quarter when the bank incurred a charge of \$34.9 million. That helped Canadian Western book a stronger profit in Q3 of \$67.9 million compared to \$57 million in Q2. Overall, the bottom line was down 11% from a year ago, but the recent results suggest the worst may be over — for now, anyway.

The bank still looks to be in good shape, despite the economic challenges ahead. And with a dividend yielding 4.3%, investors can get an even [better payout](#) than with Waste Connections.

Algonquin Power

Utility company **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is another solid pick to put in your portfolio. One reason this is better than your average utility stock is that Algonquin is focused on the future, with the company owning an interest in dozens of clean energy facilities, including wind, solar, hydroelectrical, and thermal. It serves customers in Canada and the U.S., and like Waste Connections, there's a lot of room for it to continue its expansion in North America and build its asset base.

The company showed impressive resiliency in its most recent results, where its sales of US\$343.6 million were virtually unchanged from where they were a year ago. Algonquin is another stable business that you can count on, with the company reporting positive operating income in each of the past 10 quarters.

And like Canadian Western, it offers investors an attractive dividend that today yields 4.4%.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
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4. TSX:CWB (Canadian Western Bank)
5. TSX:WCN (Waste Connections)

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