



2 Safe Stocks to Counter Volatility

Description

Investors concerned about another crash are often told of the need to invest in defensive stocks. That couldn't be truer in 2020, when volatility remains top of mind. Fortunately, there are some stocks on the market today that can provide stable growth to counter that volatility.

One man's trash is another one's treasure

Waste Connections ([TSX:WCN](#))([NYSE:WCN](#)) is living proof of that old saying. For those unfamiliar with the company, Waste Connections is responsible for collecting and disposing of trash in a growing number of communities. Those disposal services also include recycling and transferring services.

In terms of coverage, Waste Connections extends well into the U.S. market, where it targets both smaller secondary markets as well as large cities. This helps the company generate a stable stream of revenue, which continues to grow with each passing quarter.

By example, in the most recent quarter, Waste Connections reported a 10th consecutive quarter of positive free cash flow. This is impressive given that the reporting period includes the COVID-19 shutdown.

The essential nature that Waste Connections provides makes the company a great investment option. Where the company really excels over investment options is when seeing how well the stock has performed (and will continue to perform) despite being a defensive holding. Year-to-date the stock is up over 17%.

Finally, there's the quarterly dividend. While the current 0.70% yield is unlikely to attract many income investors, it does add to the [overall appeal](#) of the company.

Big bank, Big profits, Big discount, low volatility

Canada's Big Banks are incredibly stable investments, making them perfect additions to any long-term

portfolio. The banks also provide a handsome income to investors, making them appealing to income investors too. In short, they are great investments to counter volatility.

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is an interesting bank for potential investors to look at. Like its Big Bank peers, Scotiabank has a large presence in Canada that helps provide a boost to earnings. Where Scotiabank does differ from its peers is when it comes to international expansion.

While most of Canada's Big Banks have turned to the U.S. market for growth, Scotiabank has targeted the Latin American nations of Chile, Columbia, Mexico, and Peru. Those nations form a trade bloc known as the Pacific Alliance. Following years of investments in developing a branch network in that bloc, Scotiabank has become a recognized face there, leading to a surge in earnings.

Scotiabank saw its stock price drop along with the market earlier this year. Unfortunately, Latin American nations were hit particularly hard during the pandemic. This led to an unfortunate drop in the most recent earnings report.

That drop means that Scotiabank still trades at a discount of over 24% year-to-date. This is an interesting point to note as the bank is a stable business that is set to resume growth. Also worth noting is that ScotiaBank's quarterly dividend now provides a very attractive 6.49% yield, making it one of the [best-paying stocks](#) on the market.

In short, buy Scotiabank now, counter volatility, and hold it forever.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:WCN (Waste Connections)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:WCN (Waste Connections)

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