



3 Recession-Proof Growth Stocks Hitting 52-Week Highs

Description

Most investors know by now that it's always important to have exposure to growth stocks. Over the last few years, growth stocks have provided some of the top returns for investors. The problem is that growth stocks usually aren't very safe. Therefore, some of the most attractive stocks today are recession-proof growth stocks.

No matter what the financial and economic environment, you need exposure to growth. The first half of 2020 proved that perfectly.

Despite an unprecedented global pandemic, the worst in over a century, and a stock market that declined more than 30% in just a few weeks. Growth stocks came roaring back, and many have exceeded their pre-pandemic highs.

And since we aren't out of the woods yet and substantial risk still exists, the prudent thing to do is look for this growth in industries that offer more stability.

These stocks are the best to buy today. They will give you exposure to some of the top **TSX** stocks with major momentum. At the same time, though, they'll offer you significant defence in case the stock market crashes again.

Consumer staple growth stock

The first stock to consider is one of the top long-term growth stocks over the last decade, **Alimentation Couche-Tard** (TSX:ATD.B). Couche-Tard hit its all-time high just a few weeks ago after a significant selloff back in March.

Couche-Tard is a convenience store and gas station operator — a defensive business in most normal recessions. That, however, wasn't the case early on in the pandemic. With so many people staying at home due to lockdowns, demand for gas and other convenience store products dropped substantially at first.

However, the company handled that period well. Plus, the margins on gas increased substantially, offsetting a tonne of the lost volume. So, once again, this top TSX stock has been one of the best companies at handling the pandemic, proving how important it is to own high-quality stocks.

And over the long term, Couche-Tard will continue to offer exciting growth prospects both organically and through acquisition. Its organic growth was already showing strong results in improving customer loyalty before the pandemic.

And now, with Couche-Tard's strong financial position and the potential to find several of its competitors in a distressed state, the company could find some high-value acquisitions over the next few years.

If you're looking for a stock to buy today, Alimentation is one of the highest-potential, recession-proof investments to own on the TSX.

Recession-proof consumer discretionary stock

Another stock to consider is also a high-quality growth stock: **Dollarama** ([TSX:DOL](#)). Dollarama owns a massive nationwide chain of dollar stores — a business that naturally sees an increase in sales as consumers' incomes are shrinking.

This is due to the fact that as investors' income falls (usually during a recession), consumers will do what they can to lower their living expenses. This results in many turning to dollar stores and buying inferior goods to save money.

[Dollarama](#) has capitalized on this trend over the years and improved its merchandising substantially to perform well even when the economy is not in recession. But as we enter another period of economic uncertainty from the pandemic, if you're looking for a reliable retailer, Dollarama is one of the best.

Currently, the stock is right at its 52-week high and extremely close to an all-time high.

Recession-proof growth stock

Of course, you can't forget one of the top long-term growth industries: renewable energy. That's why you can't go wrong with the largest green energy stock on the TSX: **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)).

[Brookfield Renewable](#) is a massive green energy company with operations in Canada, the United States, Europe, Asia, and Latin America.

Most of the company's operations are hydro assets, with wind and solar also making up the bulk of its operations. The reason this is so important is because it all increases Brookfield's diversification, which makes the stock a lot less risky.

Brookfield offers investors significant long-term growth potential, as numerous countries around the world shift to cleaner energy. So, if you're looking to add some growth today but want to stay defensive, renewable energy stocks are some of the top investments to consider.

CATEGORY

1. Coronavirus
2. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:DOL (Dollarama Inc.)

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