



## Canadian Investors: 2 TSX Stocks for Peace of Mind in Volatile Times

### Description

There weren't many places to hide on Wednesday, as the **TSX Index** shed nearly 3% of its value, while the tech-heavy **NASDAQ 100** tanked nearly 4%. The market-wide sea of red had many worried in what shaped up to be an "everything sell-off" that spared few. With the markets nearing correction territory once again, Canadian investors may wish to put some cash on some battered plays that are better poised to hold their own if the bear were to re-emerge from his cave before the holidays.

### Nutrien: A lone green arrow on a big red day

**Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) was a lonely green arrow in Wednesday's brutal sell-off, with shares bouncing 0.5% on a day where even select alternative asset classes sold off viciously.

Now, I've been a raging bull on shares of the fertilizer kingpin for quite some time now — not just because the long-term prospects for agricultural commodity producers are bright, given the secular tailwind in an ageing global population, but because Nutrien stock had been so beaten up such that its correlation to the broader markets is likely to be near zero, if not negative.

"Nutrien was in a world of pain well before the coronavirus crash hit." I said in a [prior piece](#) where I referred to Nutrien as a dividend darling that was to be bought whether a market crash happens or not. "With a robust retail segment and operational advantages (in potash production in particular) that Nutrien holds over its peers in the space, the company is a 'moatier' stock that most folks would give it credit for."

With shares of NTR trading at one times book value, the stock looks so undervalued that I suspect we'll see more days where the stock holds its own when the rest of the market crumbles like a paper bag.

### Hydro One: Low in beta and high in defence

Shares of the wide-moat municipal utility **Hydro One** ([TSX:H](#)) fell 0.8% on Wednesday. But it easily

could have been in the green given the stock's ridiculously low 0.21 beta. Ryan Vanzo, my colleague here at the Motley Fool, recently referred to Hydro One as [one of the safest stocks on the TSX](#). I think he's right on the money.

"The company primarily delivers electricity to customers in Ontario, where its transmission lines cover 98% of the province. Even during a recession, electricity demand doesn't recede that much. And with regulators guaranteeing a level of profits, often years in advance, Hydro One has extreme visibility into future cash flows." wrote Vanzo.

With a virtual monopoly that's defending its cash flows, Hydro One is one of the few bond proxies that makes for a decent hiding place for investors worried that things could go south in a hurry. The company may not have the best growth profile in the world, but it certainly has one of the most well-covered 3.5%-yielding dividends out there. With shares trading at 1.7 times book value, you're getting a lot of bang for your buck with H stock versus the likes of those ridiculously unrewarding fixed-income assets.

## CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Stocks for Beginners

## TICKERS GLOBAL

1. NYSE:NTR (Nutrien)
2. TSX:H (Hydro One Limited)
3. TSX:NTR (Nutrien)

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