



Forget the Election: These 3 Stocks Are Great Buys No Matter What

Description

Some investors position their stock portfolios differently depending on who they think is going to win in the U.S. presidential election. As of writing, Joe Biden is in the lead. According to *The Associated Press*, Biden is leading by a nose in Nevada. If he wins in that swing state, he will accumulate sufficient electoral votes to win the election.

That said, the Trump campaign is making efforts to turn the outcome around by filing lawsuits so far in Pennsylvania, Michigan, and Georgia, believing that there were illegal votes involved in the swing states, though no evidence of such acts has been found.

It'd be a hassle to have to change the components of one's portfolio whenever there are political changes in Canada or south of the border. Here are three stocks that will [do well](#) no matter what.

Fortis stock

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) stock is a core holding in many Canadian portfolios. It has gas and electric utility assets in Canada, the United States, and the Caribbean, and they are largely (93%) for distribution and transmission.

Because of the regulated and essential nature of its operations, its earnings tend to be stable and grow steadily. This translates to a safe dividend that it has increased for 47 consecutive years. What's more to like is that the company has already laid out dividend guidance and set to increase its dividend by about 6% per year through 2025!

In fact, it just increased its quarterly dividend by almost 5.8% to \$0.505 per share. Consequently, it yields 3.75% at the recent quotation of \$53.80 per share.

Year to date, the utility reported a decline in adjusted earnings per share of only 2.6%, which is a display of stable earnings.

The stock is reasonably valued with about 10% 12-month upside potential, according to analysts'

average price target.

Another defensive stock

Other than Fortis stock, **Loblaw** ([TSX:L](#)) is another defensive name for conservative portfolios. It has more than 2,400 grocery or pharmacy locations across Canada that can be easily accessible by 90% of Canadians who live within 10 km of one of its locations. You'd recognize its banners, including Superstore, no frills, T&T, Shoppers Drug Mart, etc.

In Q2, it managed to increase its revenue by 7% against Q2 2019 to nearly \$12 billion. However, its operating earnings fell 31% to \$404 million due largely to COVID-19 investments and related costs. On a positive note, in the first half of the year, its e-commerce sales grew 280% to \$1.2 billion, offering delivery or curbside pickup services at certain locations.

At writing, the undervalued stock trades at \$65.87 per share with 23% 12-month upside potential and offers a 1.9% yield. Loblaw is set to report its Q3 earnings results on November 12. Wait until then if you're undecided about an investment today.

A growth stock

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is the [top growth stock](#) to buy now. It trades at a discount right now, because it's subject to some cyclicity. In other words, the global economic contraction triggered by the novel coronavirus pandemic will be a near-term dampener on the business.

However, the company gets more opportunities to buy quality but distressed assets in this macro environment thanks to having easy access to capital — lots of it, too! It can access US\$77 billion of capital for deployment if it wants to.

Brookfield Asset Management manages about US\$550 billion of alternative assets, including real estate, renewable power, infrastructure, private equity, and credit. About 50% of these assets are fee-bearing capital, from which it earns management or performance fees.

The stock sold off last week by about 12%, and investors were quick to buy the dip this week. The stock is still a great value with 12-month upside potential of about 26%.

CATEGORY

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

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BN (Brookfield)
4. TSX:FTS (Fortis Inc.)
5. TSX:L (Loblaw Companies Limited)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

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

Tags

1. Editor's Choice

Date

2025/07/27

Date Created

2020/11/06

Author

kayng

default watermark

default watermark