



Forget Market Volatility: 1 Top Canadian Stock to Buy Today

Description

These days more and more Canadians are investing in the stock market. This is important as saving and investing are key for Canadians and their personal finances. However, for some, even though they know it's important, investing may seem way too complicated and intimidating, especially with all the major volatility with Canadian stocks lately.

We all want to save and invest our money for growth, but nobody wants to lose any of their hard-earned capital in the volatile stock market.

There are many ways to lower your risk when it comes to investing, though. And over time, not investing your money and losing value to inflation is also a risk you take, despite staying on the sidelines.

It's natural to be fearful of a [market crash](#), but as long as we stay disciplined and stick to core investing principles, you don't have to worry about market volatility.

Eliminate the risk of market volatility by investing for the long-term

Canadian stocks are always volatile. That's the nature of equities. And because they are one of the "riskiest" investments (compared to corporate bonds and government treasury bills), they offer investors the best returns.

Because stocks are always volatile, it makes it next to impossible to predict their short-term movements. That's why it's so crucial that investors buy stocks for the long-term.

This is one of the most important ways to eliminate risk and one of the main recommendations of [Warren Buffett](#).

Over the long-term, with innovation driving increases in productivity, the economy will continue to grow. So the best long-term stocks will continue to grow along with it.

That's why putting away money and saving for decades is so important. It gives your hard-earned capital a chance to grow and compound through all the ups and downs of the market.

We have already seen Canadian stocks bounce back this week after looking like the selloff may worsen towards the end of that week. Often that's what a weekend can do. Sometimes one job's report or one inflation index reading can change the whole direction of the stock market.

This short-term noise, while creating volatility, usually has no impact on your long-term investments, that is, unless you do something you might regret.

Rather than worry about any short-term volatility, focus on finding the best Canadian stocks that you believe can grow consistently for years.

Then when opportunities such as last week present themselves, you can add to your position at attractive discounts.

A top Canadian stock to buy today

Whether volatility worries you and you're looking for a defensive stock, or you can handle the volatility and are looking for a great, long-term Canadian growth stock, **Algonquin Power and Utilities Corp** ([TSX:AQN](#))([NYSE:AQN](#)) is a top buy today.

Algonquin's utility business makes up roughly two-thirds of its operating income. This makes the Canadian stock highly resilient, and a great buy for investors worried about volatility. It even pays an attractive 4% dividend.

So owning Algonquin and knowing that its operations are highly robust gives investors peace of mind. In this market environment, the economy is still vulnerable to high debt levels and high unemployment. So it's crucial to make sure you own several highly resilient Canadian stocks.

The other third of its operating income comes from its renewable energy and power generation segment. Renewable energy is one of the best long-term growth industries today. Plus, although the business isn't regulated like utilities are, it's still a highly defensive industry too.

Bottom line

Volatility is something no investor wants to see. However, it's a natural part of investing, and you can't let it discourage you from getting into the markets.

Instead, ensure you're buying high-quality and defensive Canadian stocks. And as long as you buy these top stocks for the long-term, you should have nothing to worry about.

CATEGORY

1. Dividend Stocks
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1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)

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