



Worried About a Market Pullback? 2 Defensive Stocks You Can Buy

Description

The second week in March showed that equity securities rebounded well after a slightly choppy beginning to the month. Regardless of the slight improvement, investors should be prepared for a [market pullback](#).

I want to discuss two defensive stocks to buy today if you are worried about market volatility in 2021.

Retail giant

Alimentation Couche-Tard (TSX:ATD.B) is an excellent stock that you could consider adding to your portfolio as a strong defensive pick. The company operates and licenses convenience stores worldwide. The defensive stock declined by almost 17% between January 4 and January 14, 2021.

The stock has been on a positive trend since its decline at the start of the year. Its valuation climbed by 13% between January 14 and March 11, 2021. Shares of the company have climbed 2.76% month over month at writing.

The company has not yet released its latest fiscal 2021 results, but its previous quarter showed positive news. The company delivered total merchandise and services revenue of \$3.8 billion — up 6.3% from the same period last year. Its net revenue rose to \$757 million compared to \$578 million in the previous quarter.

Alimentation also boosted its quarterly dividend to \$0.087 per share, representing a modest 0.86% dividend yield. Alimentation could be a pillar of stability and reliability for your portfolio during a market pullback due to the essential nature of its service.

Grocery giant

Loblaw ([TSX:L](#)) is the most significant grocery retailer in the country. Grocery space stocks make for excellent defensive investments, and it seems that investors have really taken an interest in the stock

of late.

Loblaw was down 4.53% between January 4 and February 24, 2021. The stock began March on a better note, [soaring](#) by 8.61% between February 24 and March 11, 2021. The company's sudden surge came after its last batch of 2020 earnings results on February 25, 2021.

The report showed that its revenue rose 7.1% from the same period last year to \$12.4 billion. The company's e-commerce sales surged 160%, as consumers moved to digital channels amid the pandemic. Loblaw's adjusted EBITDA rose to \$1.26 billion, translating to a 5% increase year over year.

Grocery retailers proved excellent investments during the last pullback. Loblaw's quarterly dividend of \$0.335 per share represents a 2.03% yield at writing, and it could be an attractive investment to consider.

Foolish takeaway

While many analysts predicted that another market pullback would come before 2020 ended, the fears of one happening are still there this year. If a market pullback happens, it would be wise to position your portfolio to deal with the volatile market conditions. Investing in the likes of Loblaw and Alimentation Couche-Tard could be an ideal way to begin.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:L (Loblaw Companies Limited)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
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5. Quote Media
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