



## 3 Recession-Proof Stocks to Buy Now

### Description

How diversified is your portfolio? Diversification is one of the most important rules of investing, and one that continues to baffle investors. We often hear about selecting several stocks from different areas of the economy. But what about whether one or more of those options are recession-proof stocks?

Including one or more recession-proof stocks within your portfolio adds an additional element of diversification that you will benefit from during the next slowdown. Fortunately, [the market provides plenty of options](#) to choose from.

### The one-in-a-century stock

What is the measure of a successful investment? Could it be having a storied history of success that spans back over a century? Or perhaps providing investors with a handsome dividend spanning back over that long 100-year period?

**BCE** ([TSX:BCE](#))([NYSE:BCE](#)) offers all of that and much more. BCE is one of the largest telecoms in Canada, with a national reach that blankets the entire country with one or more subscription services. Those services include internet, TV, wired, and wireless phone service. In addition to those subscription services, BCE boasts a massive media segment. The media arm owns and operates dozens of TV and radio stations, adding yet another unique element of diversification into the mix.

So, what makes BCE one of the recession-proof stocks for your portfolio? Telecoms are notoriously great defensive stocks. That view has only grown in the year since the pandemic began. Remote workers and students alike are relying on their home internet service more than ever before.

Wireless connections have also become an integral part of our modern world. We now use wireless devices for a greater number of tasks than ever before. In fact, over the past decade, mobile devices, and the connections they provide have replaced well over 100 standalone devices we used to rely on. This puts an incredible amount of necessity onto mobile devices and the connections they offer.

If those factors were not reason enough, BCE also offers investors a tasty quarterly dividend. The

company provides a yield that works out to an impressive 6.02% yield. This factor alone makes BCE one of the great recession-proof stocks for your portfolio.

## Are you hungry for more?

I always say that the best investments are those that provide a necessary service that we often overlook. This is because those investments are woven into our daily lives and have become a necessity.

One such example is **Metro** ([TSX:MRU](#)). Metro is one of the largest grocers in the country. The company boasts a growing network of supermarkets and pharmacies, primarily situated in Ontario and Quebec.

What makes Metro one of the recession-proof stocks you need? First and foremost, Metro provides a necessary service. This means that the company is largely immune to the large shutdowns we saw across the market when the pandemic began. If anything, sales across Metro's network increased under the pandemic.

Adding to that appeal is the fact that Metro continues to provide a respectable dividend to investors. The 1.70% yield on offer may not resonate initially to income seekers. Fortunately, that view changes when factoring in the solid 26-year history that Metro has in providing annual bumps to its dividend.

## Energy can be a defensive business, too

When thinking about the energy sector, we are often drawn to the volatility of oil prices, which is hardly a defensive investment. But what if there was an investment that was largely immune to that volatility yet still catered to the needs of the energy sector? That investment is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)).

The energy infrastructure behemoth is well known for its pipeline network. The pipeline generates a stable revenue stream, transporting crude to refineries and storage facilities. Most importantly, that revenue is not based on the price of crude, hence the defensive appeal.

Adding to that appeal is the fact that Enbridge has a growing renewable energy segment and has a lucrative quarterly dividend. That dividend has a yield of 7.16%, making it one of the [better-paying investments](#) on the market.

## Want more recession-proof stocks?

The three stocks noted above are well-diversified picks that offer growth and income-earning potential to investors. In my opinion, every well-diversified portfolio should include one or more of them. Buy them, hold them, and get rich.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks

3. Investing

## TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:MRU (Metro Inc.)

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