



Worried About a Stock Market Correction? 3 of the Safest Canadian Stocks to Buy Now

Description

The market has been choppy the last few weeks, and uncertainty is starting to creep back in. Despite positive news from strong earnings, stocks have been treading water and even declined slightly. This will naturally have some investors concerned about a slowdown or even a stock market correction. If that's the case, there are always highly resilient Canadian stocks to buy now.

The more a stock market rallies, the higher the chance of a [market pullback](#) or correction. This is natural as its part of the market cycle. So it's something that investors shouldn't worry about.

It's especially not important to worry about because you can minimize your investment risk by buying high-quality companies for the long term.

So if you're worried that the stock market is looking vulnerable and you think we could see a correction again soon, here are three of the safest Canadian stocks to buy now.

A top utility stock to buy ahead of a stock market correction

One of the very best industries to find Canadian stocks if you're worried about a potential stock market correction is [utility stocks](#).

There are several high-quality utility stocks in Canada, but I think most investors agree the best to buy now is **Fortis Inc** ([TSX:FTS](#))([NYSE:FTS](#)).

Fortis is a top electric utility company with assets diversified across North America. Utility businesses are already low-risk, but this diversification just adds another degree making the stock extremely safe.

Its cash flows are highly resilient and consistently grow over time. This results in the company making continuous increases in the cash it's returning to investors.

That's why Fortis is one of the oldest dividend aristocrats in Canada. Fortis has increased its dividend

for 47 consecutive years now. Today it yields roughly 3.6%.

The dividend is promising for your portfolio but also highlights Fortis' highly resilient operations. So if you're worried about a stock market correction, Fortis is easily one of the best Canadian stocks to buy now.

A top Canadian midstream stock to buy now

Another high-quality stock to buy now is **AltaGas Ltd** ([TSX:ALA](#)). AltaGas also has a utility segment which gives the stock a large degree of stability.

However, it also has a midstream segment that offers incredible long-term growth potential. So although AltaGas may not be as safe as Fortis, it will likely be a better [growth stock](#) over the long term.

One of its recent projects, which looks extremely promising, is the Ridley Island Propane Export Terminal (RIPET). The RIPET gives Canadian energy producers better access to Asian markets.

This is positive for the entire Western Canadian energy industry. Plus, it adds a tonne of growth potential for AltaGas.

The stock went through a turnaround a few years ago, shedding non-core assets as well as a tonne of debt. Today the stock looks much more promising. It even currently yields roughly 4.7%.

So if you're looking for a Canadian stock that can provide stability in a stock market correction, AltaGas is one of the best to buy now.

A top telecom for income and stability

Finally, one of the best stocks to buy now if you want to increase your portfolio's stability is **BCE Inc** ([TSX:BCE](#))([NYSE:BCE](#)).

BCE may not be the most exciting stock. However, it's the perfect stock to buy if you're worried about a stock market correction. The [telecom stock](#) offers an attractive combination of stability, income, and long-term growth.

That's why it's such a great core stock and one of the best to buy now if you want to increase the resiliency of your portfolio.

Not only will BCE be less volatile in a downturn, but it also pays an attractive dividend which currently yields roughly 6% and is underpinned by highly stable cash flows. That's why BCE is such a popular stock among [dividend investors](#).

Telecom is a crucial industry in our economy, so these stocks aren't going anywhere. And with the rollout of [5G technology](#) ramping up, BCE has a tonne of long-term growth potential.

So if you're worried about a stock market correction, BCE is one of the best Canadian stocks to buy now.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:FTS (Fortis Inc.)
3. TSX:ALA (AltaGas Ltd.)
4. TSX:BCE (BCE Inc.)
5. TSX:FTS (Fortis Inc.)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Investing

Date

2025/08/27

Date Created

2021/04/23

Author

danieldacosta

default watermark

default watermark