



Protect Your Portfolio With These 2 Defensive Gems Today

Description

Investors are constantly looking for opportunities to derive better yields from their portfolios. However, diversity and growth are also factors one should be looking for. With the market opening up, some sectors are certain to pick up better than others. Identifying such trends is essential to generate a good Return on Investment. Here, I have listed two stocks with high dividend yields offering diversity as well.

Kirkland Lake Gold

Kirkland Lake Gold (TSX:KL)(NYSE:KL) remains one of my [top defensive picks](#) in the market today.

As if gold wasn't defensive enough on its own, Kirkland Lake's valuation makes this stock stand out among the rest. The company's trading at a valuation of fewer than 16 times earnings with some of the best assets in the precious metals mining space.

The company's high-grade production in mining-friendly jurisdictions like Canada and Australia ought to stand out to investors. The earnings quality stemming from sky-high margins and operating efficiencies make this miner a top pick of mine.

Additionally, given Kirkland Lake's high-quality balance sheet (with essentially no debt), I think the company could be in the market to make a deal happen. Indeed, the company will need to replace some production in the medium term as one of its high-grade mines nears the end of its life. I'm keeping my eye on Kirkland Lake right now in this regard.

Rogers Communications

As far as defensive sectors go, telecom players are inherently defensive. The cash flows these behemoths provide allow for extremely stable long-term returns for shareholders.

Additionally, the 5G catalyst is set to be huge in terms of incremental cash flow growth over the long

term. For industry leaders like **Rogers Communications** ([TSX:RCI.B](#))([NYSE:RCI](#)), these are simply too many factors to ignore right now.

Rogers is bolstering its market position via a deal to acquire **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) in a massive US\$20 billion deal. This deal is set to cement the company's cash flow growth trajectory, both in its existing core businesses as well as in 5G wireless.

Indeed, capital spending is going to rise substantially as a result of this deal. However, Rogers's expanded footprint in Western Canada and the synergies that are possible as a result of this deal make for an interesting hold right now.

As far as defensive **TSX** plays go, both Kirkland Lake and Rogers Communications fit the bill nicely. These blue-chip stocks are among the best for diversification and cash flow stability in these otherwise uncertain times.

CATEGORY

1. Dividend Stocks
2. Investing
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TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. NYSE:SJR (Shaw Communications Inc.)
3. TSX:RCI.B (Rogers Communications Inc.)
4. TSX:SJR.B (Shaw Communications)

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