



2 Top Canadian Stocks to Buy as a 4th COVID Wave Looms

Description

Last week, Canada's chief public health officer Dr. Theresa Tam warned Canadians of the potential for a fourth wave of the coronavirus pandemic this fall. After months with rising vaccination rates and falling case counts, this news may understandably rattle investors who are deciding which top Canadian stocks to buy now.

While Canada has put itself in a great position so far, several doctors are warning against a new surge from the Delta variant.

As usual, while the warning is important from a public health perspective, for investors, it just adds to the uncertainty. After all, another wave of cases doesn't necessarily mean it will be as devastating as the third wave was in Canada.

Nevertheless, it reminds us that we are nowhere near out of the woods yet. So, it's just as crucial that your portfolio can protect your capital as much as it can grow it.

With that being said, if you are looking for some stocks to help add more stability and resiliency to your portfolio, here are two of the top Canadian stocks to buy now.

A top utility stock for stability and growth

If you want to add stability to your portfolio, Canadian utility stocks are some of the best to buy. And although several Canadian utilities are worth an investment today, one of my personal favourites is **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)).

Algonquin is one of the top Canadian stocks to buy today, because, in addition to the stability its utility operations offer investors, it also has a tonne of long-term growth potential.

Two-thirds of Algonquin's business is made up of these gas, water, and electric utilities, which are located in several U.S. states.

The other third of Algonquin's business, though, is a high-potential renewable energy segment. This not only ties into Algonquin's existing utility business but also offers considerable long-term growth potential.

It's no secret that climate change continues to become more urgent. So, there should be a tonne of investment in renewable energy over the coming decades, giving businesses like Algonquin a long runway for growth.

It's this combination of growth and defence that makes Algonquin one of the top Canadian stocks to buy today.

In this environment, you want to make sure that your capital is protected. However, you also don't want to miss out on any growth potential.

Consumer staple stocks are some of the best for Canadian investors to buy

Another great industry with some of the top Canadian stocks to buy now is consumer staples. That's why I'd recommend investors consider a stock like **North West Company** ([TSX:NWC](#)).

In general, [consumer staple stocks](#) are ideal, because they are so defensive. Whether or not incomes are being impacted by shutdowns or a slowdown in the economy, consumers need food and household essentials such as toilet paper.

So, North West is a highly defensive stock. However, it also offers investors a considerable opportunity.

The company operates in remote regions, mostly in northern Canada and Alaska. This is crucial, because North West has little competition in these communities. Furthermore, it has been improving the economics of its business for years.

By integrating vertically, the highly defensive [growth stock](#) now has better control over its costs. This is crucial, as it can help the company better fend off any competition and improve its profitability.

So, if you're looking to add some stability to your portfolio but don't want to sacrifice a tonne of growth potential, North West is one of the top Canadian stocks to buy now.

CATEGORY

1. Coronavirus
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:NWC (The North West Company Inc.)

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