3 Solid Companies to Buy Amid Stock Market Turmoil

Description

After a brief slump a few days ago, the market has started moving up again and is at an all-time high. Energy and finance, two heavyweights of the TSX, are pulling a lot of weight and are ensuring that the TSX is moving in the right direction.

But it might simply be a sign of a series of upcoming fluctuations. Energy has already moved up too fast and might be due for a correction, especially if something changes at the international level (OPEC countries are flooding the market or a new demand slump). Or the bull market continues for several months.

If you are worried about turmoil, now or in the future, there are three stocks you can rely upon to anchor your portfolio.

Gold mines

Agnico Eagle Mines (TSX:AEM)(NYSE:AEM) is one of the major gold mining players in the country. The company has three major mining operations — one domestic and two foreign (Finland and Mexico). It's also exploring prospects in the U.S. and Colombia. With a geographically diversified portfolio of operations and exploration, the company offers a safe/stable operational base.

Like most other golden stocks, the company saw a sharp rise in its stock after the 2020 crash and rose by 113% within six months. It has come down a long way since then, which pushed the yield into a more attractive territory (though still not comparable to proper dividend stocks). The current yield is 2.4%. The reason to buy Agnico is its ability to stay stable and even rise if the market is down, making it a perfect hedge for market downturns.

A banking stock

As the second-largest bank in the country with a significant U.S. presence, **TD Bank** (TSX:TD)(NYSE:TD) exemplifies the characteristics of Canada's safe banking sector. But the bank is more than just safe and stable and an anchor in the harsh tides of the stock market; it's also quite rewarding for its investors. With its 3.7% yield (which was considerably higher the same time last year) and a 10-year CAGR of 12.8%, TD is a great long-term holding.

The bank is also looking to expand its operations as much as possible to grow from its current position. One area where it's looking to expand is in U.S. retail banking, which, unfortunately for TD, is becoming a fierce competing ground thanks to the Fintechs and online banks that offer a more affordable banking alternative to their users. Still, TD is a strong bet in a shaky market and will probably remain so for decades.

A consistent growth stock

Safe, stable, and reliable growth are coveted "characteristics" in stock, and investors are usually ready to pay a premium for that, hence the ample trading of overvalued stocks. But **Metro** (TSX:MRU), which combines these characteristics and offers stability from a business model perspective as well (thanks to its reliance on groceries and pharmacy), is currently a very attractive value buy.

It also happens to be one of the oldest aristocrats on the TSX and old enough to be called an aristocrat across the border as well, after growing its payouts for 26 consecutive years. The yield of 1.6%, while not quite high, complements its 16.5% 10-year CAGR quite nicely. The chain is financially stable and has an amazing footprint and regional presence.

Foolish takeaway

We are unlikely to see a market crash anytime soon, but the usual fluctuations are usually enough to make a lot of stocks quite attractively valued, and you can have your pick of the bunch if you wait for the right moment. But if you wish to stabilize your portfolio, even against these small fluctuations, adding stocks like these three is your best bet.

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