



Market Uncertainty: 3 Stocks to Protect Your Portfolio From Losses

Description

For most of 2021, the stock market has been surprisingly strong. However, a double whammy of uncertainty stemming from interest rates and the new COVID-19 Omicron variant has sent many stocks tumbling. With that in mind, what should [investors be doing](#)? Many institutional investors are selling stocks, as we can see from the falling broader market. In this article, I'll discuss three stocks that could act as a hedge for your portfolio. These three stocks could provide great stability during these uncertain times.

A recession-proof company

When investors look for companies to provide stability to their portfolio, they often turn to one of the recession-proof industries. Generally, this is an industry that doesn't experience any decreases in demand during times of economic uncertainty. For example, everyone will continue to [rely on utility companies](#) regardless of what the economic conditions look like. As a result, companies like **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) are viewed as being recession-proof.

This company provides regulated gas and electric utilities to more than 3.4 million customers across Canada, the United States, and the Caribbean. Fortis is a tremendous dividend company. In fact, at 47 years, Fortis's dividend-growth streak is the second longest in Canada. Its forward dividend yield is also very attractive (3.82%).

Over the past month, the broader market has fallen over 3%. However, Fortis stock has remained steady. Barely holding onto a 0.4% gain over that period, this recession-proof company has helped portfolios stay ahead of the market over the past 30 days.

This industry is a Canadian favourite

Although not exactly a recession-proof industry, the Canadian banking industry features companies that Canadians should consider buying during these tough times. Because of the industry's highly regulated nature, smaller competitors have a hard time displacing industry leaders. As a result, the

banking industry features in many Canadian portfolios. **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) is my top choice among the Big Five banks.

Over the past month, Bank of Nova Scotia has managed to fare even better than Fortis. Bank of Nova Scotia stock has gained 1.3% over the past 30 days. It's also known that the banking industry tends to come out of downturns very strongly. This makes the stock even more attractive, as it could provide even more upside to investors as the market strengthens. This Canadian Dividend Aristocrat is a stock that you should consider adding to your portfolio today.

This stock is a lot more attractive than the business

When talking about recession-proof businesses, investors often also look at waste management companies. Regardless of what the economy looks like, humans will continue to produce waste, and someone will have to clean it up. As a result, companies like **Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#)) should receive a lot of attention in the near future.

As its name suggests, Waste Connections provides waste collection, disposal, and recycling services in Canada and the United States. Year to date, Waste Connections stock has gained nearly 33%. Over the past month, it has gained nearly 3%. This outpaces the broader market by a decent margin. This may not be the most attractive business, but there's no denying that Waste Connections could be a great stock to hold right now.

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2. NYSE:FTS (Fortis Inc.)
3. NYSE:WCN (Waste Connections)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:FTS (Fortis Inc.)
6. TSX:WCN (Waste Connections)

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