



## 3 Blue-Chip Stocks on My Radar

### Description

During periods of market uncertainty, growth stocks tend to get hit hard. This is often because growth stocks carry a lot more risk than mature companies. Because of this, holding [blue-chip stocks](#) at a higher proportion during periods of market uncertainty can provide your portfolio with additional stability. That's not to say there aren't any blue-chip stocks that can provide market-beating potential. In this article, I'll discuss three blue-chip stocks on my radar!

### A stock that has created stock market millionaires

If you were lucky enough to invest \$10,000 in **Constellation Software** ([TSX:CSU](#)) stock in October 2007 or earlier, that position would be worth more than \$1 million today. Since its IPO, Constellation Software stock has generated a return of more than 11,600%! That represents a compound annual growth rate of about 36%. Impressively, Constellation Software stock hasn't shown any signs of slowing down. Over the past year, the stock has gained about 32%.

One reason for the company's continued performance may be due to continued devotion of Constellation's management team. In 2017, Constellation's president and founder Mark Leonard announced that he would stop writing annual shareholder letters due to an increasing number of copycat competitors.

In 2021, [he broke his silence](#) to announce that the company would finally begin targeting large vertical market software companies. This could be the catalyst that drives Constellation Software stock to continued market outperformance over the next decade.

### A proven winner

There are few stocks that manage to produce returns similar to Constellation Software. However, **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) has definitely been very impressive in its own right. Since its IPO in August 1995, Brookfield has managed to gain more than 4,500%. That represents a CAGR of 15.3%. Although that return comes in at about half of what Constellation

Software has returned in a shorter timeframe, it's still about three times better than the average return of the broader market.

With more than \$625 billion of assets under management, Brookfield is one of the largest alternative asset management firms in the world. The company has exposure to the real estate, infrastructure, and utility industries. In July, Brookfield announced that it would be partnering with **Tesla** to develop a large-scale sustainable neighbourhood in Austin, Texas. If successful, this could spark major interest in an already popular blue-chip company.

## This is a top dividend stock

Moving away from growth, here's a blue-chip stock for dividend investors. **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)) claims a 25-year dividend-growth streak. That gives the company the 10th-longest active dividend-growth streak in Canada. However, even more impressive than its growth streak is Canadian National's dividend-growth rate. Over the past five years, its dividend has grown at a CAGR of over 10%. That keeps it way ahead of the average inflation rate, giving investors a reliable source of passive income.

Currently, there are no viable alternatives to the railway industry, with respect to the long-distance transport of goods. That means that railway companies will remain in high demand over the coming years. With its vast network of track across North America, expect Canadian National to continue being a top dividend stock over the next decade.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:CNI (Canadian National Railway Company)
3. TSX:BN (Brookfield)
4. TSX:CNR (Canadian National Railway Company)
5. TSX:CSU (Constellation Software Inc.)

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