



## 2 Stocks Primed For a Fantastic 2022

### Description

The **S&P/TSX Composite Index** is down by 2.18% since its last all-time high on November 12, 2021, at writing. As another year of trading ensues, it's surprising to see that the Canadian benchmark index is not down by several more basis points. Plenty of **TSX** stocks are still [trading for lower valuations](#) after the carnage that has happened in the market in the last few weeks of 2021.

Equity securities in the financial sector, telecom industry, and real estate investment trusts have kept the index afloat because they have not budged too much during the latest pullback. The strength of these sectors exemplifies the importance of maintaining a well-balanced and diversified portfolio.

[If you're just starting investing](#), it's crucial to understand the importance of balancing your portfolio. Today, I will discuss two diverse stocks that you could consider adding to your portfolio due to their potential to outperform the market this year.

### Cenovus Energy

**Cenovus Energy** ([TSX:CVE](#))([NYSE:CVE](#)) is a stock that could become an excellent addition to your portfolio, especially if the Omicron variant turns out to be less severe than predicted. The company has been doing everything you can expect from an energy company during the current environment. Cenovus has sold off its Husky gas stations and its Tucker thermal assets. The assets it sold off from Tucker raised \$800 million alone.

Cenovus' management is reaching its short-term targets to reduce its debt. It was a stellar year for energy sector stocks in 2021. At writing, Cenovus stock is trading for \$15.52 per share, and is up by just over 100% year over year. Considering that Cenovus stock trades for far lower valuations than its peers, analysts expect it to outperform again in 2022.

### Brookfield Infrastructure Partners

**Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)) could be the perfect stock for investors

seeking diversification in their investment portfolios.

The US\$25.71 billion market capitalization giant headquartered in Toronto boasts a portfolio of pipelines, export terminals, railroads, ports, data centres, and cell towers that generate hefty and stable cash flows. Most of its assets are long-term contracted or highly regulated, generating predictable cash flows for the company.

Of the company's assets, 70% have inflation-indexed contracts. It means that the company will enjoy higher volume margins in inflationary markets. The company looks well positioned to outperform the broader market during hot economic environments and normal markets. At writing, Brookfield Infrastructure Partners stock is trading for \$76.71 per share. It could be an excellent addition to your investment portfolio.

## Foolish takeaway

One of the biggest advantages of having a diversified portfolio is mitigated losses. When one sector swings down, another might be able to hold the fort or continue moving higher. The operating environment has been tough for many TSX stocks during 2021. Based on the developing situation, it's crucial now more than ever to have a diversified portfolio that can offer adequate investment returns.

While there is always a risk with making any investment in the stock market, you can take calculated risks by investing in stocks that boast stronger potential than others to provide you with market-beating returns. Brookfield Infrastructure stock and Cenovus Energy stock could be excellent additions to your [self-directed portfolio in 2022](#) for this purpose.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:CVE (Cenovus Energy Inc.)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:CVE (Cenovus Energy Inc.)

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