



## Defensive Investors: 3 Stocks to Shore Up Your Portfolio

### Description

[Volatility](#) is something that all investors need to take into consideration. One of the best ways to account for volatility is for defensive investors to add one or more defensive stocks. Fortunately, the market gives us plenty of opportunities to consider. Here are three options for your portfolio.

### Stable growth is attainable

Utilities are among the most defensive investments on the market. There's a good reason for that view. In short, utilities provide a necessary service to us for which there is no substitute. Unlike other staples such as groceries, you can't just find less expensive power or even go without.

That's just one reason why your portfolio needs **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)).

Fortis is one of the largest utilities on the continent with a presence across Canada, the U.S., and the Caribbean. Fortis got to that point by taking an aggressive stance to expansion, which is anything but the norm for a utility. In recent years, that growth has turned towards transitioning existing facilities to renewables.

Either way, Fortis generates a reliable and recurring revenue stream that should appeal to every long-term investor. That revenue stream also helps Fortis fund its quarterly dividend and provide a handsome annual uptick.

The current yield works out to an impressive 3.56%. Also noteworthy is that Fortis has maintained an incredible 48 consecutive years of annual dividend hikes. This makes the utility a great option for defensive investors.

### Here's another option to consider

While traditional utilities slowly make the transition towards [renewable energy](#), there are other options to appeal to defensive investors that already boast a renewable portfolio.

One such option is **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)). Brookfield Renewable boasts a massive (and still growing) portfolio of renewable energy assets. Those assets are predominately hydro-based, but the company does have both wind and solar assets as well.

When it comes to Brookfield's appeal, investors should take note of the massive footprint the company has. Currently, the company operates facilities across North America, Europe, Asia, and Latin America. Collectively, those facilities have a generating capacity of 21 GW. Keep in mind that one GW is roughly enough to power 750,000 homes.

If that's not convincing enough, defensive investors should take note that Brookfield has a further 36 GW of additional facilities in its development queue. Oh, and just like traditional utilities, the majority of those facilities will be backed by long-term regulated contracts.

Turning to dividends, Brookfield boasts a tasty 3.65% yield.

## Renewable energy can pay you monthly

Both Fortis and Brookfield are superb options to consider. That being said, the quarterly distribution may not work well for all investors. Fortunately, there's another renewable energy provider that offers an even higher distribution on a monthly cadence.

That stock to consider is **TransAlta Renewables** ([TSX:RNW](#)). TransAlta's all-renewable portfolio of facilities is located across Canada, the U.S., and Australia. Those assets are not just diversified geographically either. TransAlta's facilities include solar, wind, hydro, and gas-powered assets.

There's another reason to consider buying TransAlta. The stock currently trades at a discount, reflecting a 20% drop over the trailing 12-month period. When you factor in TransAlta's juicy monthly dividend, which boasts a yield of 5.15%, you have a great long-term investment for any portfolio.

## Defensive investors: Will you buy?

Finding the right mix of investments takes time and plenty of patience. That being said, the three investments outlined above are great options to help build out your portfolio. In my opinion, one or more of these stocks should be part of any well-diversified portfolio.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:FTS (Fortis Inc.)

3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:FTS (Fortis Inc.)
5. TSX:RNW (TransAlta Renewables)

#### **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

#### **PP NOTIFY USER**

1. dafxentiou
2. kduncombe

#### **Category**

1. Dividend Stocks
2. Investing

#### **Date**

2025/08/23

#### **Date Created**

2022/01/08

#### **Author**

dafxentiou

default watermark

default watermark