



2 of the Best Canadian ETFs to Buy in February 2022

Description

There are a growing number of ETFs on the TSX Index, and many of them could be deserving of a spot at the core of your TFSA, RRSP, or non-registered account. In this piece, we'll have a look at two that could be in a spot to really give the broader TSX Index a run for its money in 2022. Indeed, the risk appetite is taking a big shift, with value poised to outpace growth. Unprofitable stocks that you can't value are out of fashion now. Boring stocks that generate real profits and cash flows are in, and they could lead the Canadian stock market to new heights, even as the tech-driven broader markets run out of steam.

Without further ado, let's have a closer look at the two best Canadian ETFs that I believe could be intriguing value bets for February 2022. While they could outdo the TSX this year, I'd look to buy and hold them for extremely long periods of time. Think the next 10, 20, or even 30 years. Enter **iShares S&P/TSX Global Gold Index ETF** ([TSX:XGD](#)) and **BMO Low Volatility Canadian Equity ETF** ([TSX:ZLB](#)).

iShares S&P/TSX Global Gold Index ETF: XGD

Gold shines in times like those, or it should. Inflation is running hot, and the economy's future is a big question mark. Had it not been for **Bitcoin**, I think gold would be well past the US\$2,200 mark by now. With gold fluctuating wildly, failing to break out to new highs, I think investors should look to take advantage of what could be a mistake made by Mr. Market.

Doubt gold's status as an effective inflation hedge, if you will, but I think it's a great asset to help you weather the volatility storm. Unlike Bitcoin, it can hold up when the markets crumble. Just look back to the 2020 market crash, and you'll see why gold shines above Bitcoin as a market hedge.

The XGD holds some magnificent gold mining stocks and is a great way to lever up to gold if you think prices are headed much higher from here.

BMO Low Volatility Canadian Equity ETF: ZLB

Low-beta strategies have been met with mixed results over the past several years. The ZLB is a one-stop-shop, low-beta play that also happens to boast some of the most intriguing high-quality firms on the TSX. Though a less-choppy ride than the TSX, the ZLB is not immune to crashing. Indeed, the ZLB can help smoothen the ride over time, but don't expect it to be a shelter from bear-case scenarios.

In any case, the ZLB is full of value and could outperform in a year where growth takes a backseat to cheap names with solid fundamentals and real cash flows.

The Foolish bottom line for investors

While you should think about taking a risk on some of the [battered growth plays](#) here and now, I believe that those looking to play a bit of defence will be well served in the ETFs in this piece. Why not [play both sides of the coin](#) by betting big on the hardest-hit names and the ones poised to keep their distance from this latest selloff?

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