



## Want to Protect Your Portfolio? 2 of the Best Stocks to Buy Now

### Description

There was already a tonne of uncertainty in 2022. And while we've actually made progress on the pandemic and are well on the way to overcoming it, there is undoubtedly even more uncertainty in markets today. So, it makes sense that for most investors, the best stocks to buy now are highly resilient and safe stocks that could protect your portfolio.

Already from the effects of the pandemic, we are seeing significant [inflation](#). Not only that, but interest rates are increasing now, too. And with all the sanctions now being put in place against Russia and Belarus, there is sure to be even more inflation coming.

These massive changing factors are not just going to impact your own pocket, but all the variables in the economy make it difficult to operate a business.

This is why it's crucial that we don't just buy safe stocks. It's paramount that we buy the highest-quality stocks with excellent management teams and top-notch operations.

So, with that in mind, if you're looking to protect your portfolio, here are two of the best stocks to buy now.

### A top Canadian utility stock

If you're ever looking to shore up your portfolio and add more defence, one of the first industries to start with is utility stocks. There are several high-quality utility stocks in Canada to consider, but given its yield today and its potential for [dividend](#) increases in the coming years, **Emera** ([TSX:EMA](#)) looks like the best utility stock to buy now.

Utility stocks are highly defensive, which is why they are so resilient and the best stocks to buy to protect your portfolio. Offering electricity and gas are two essential services that hardly see any impact in demand, even when there is a recession in the economy.

Furthermore, because it's regulated by governments, the growth these companies can achieve is

typically highly predictable and low risk. Therefore, these stocks won't ever really gain a tonne of value quickly. However, they can be core long-term holdings in your portfolio, consistently increasing the passive income they return.

So, if you're looking to protect your portfolio and buy the best Canadian stocks now, Emera currently offers a yield of 4.4% and will increase its payout between 4% and 5% annually until at least 2024.

## One of the best stocks to buy now in this environment

Another high-quality Canadian stock to buy that could be a major help in protecting your portfolio is **North West Company** ([TSX:NWC](#)).

North West is a consumer staple stock that operates grocery stores and supermarkets in remote regions, 80% of which are in Alaska and Northern Canada. Because North West sells food and other essential household goods, it naturally makes the company defensive.

However, consumer staple stocks like North West are typically an industry that can also offset inflation better than others. Since the goods North West is selling are essential, it can pass on the increased costs to customers easier than companies selling discretionary goods.

In addition, North West has been vertically integrating its operations in recent years, including purchasing its own airline, which it can use for cargo to bring in goods. This should help the company to have better control over its increasing costs and keep its margins strong.

So, with a highly resilient business model and a dividend that's increased each year, there is no question North West is one of the best stocks to buy now. And with its dividend currently offering a yield of roughly 4%, it won't just protect your portfolio; it will continue to earn you a tonne of growing passive income.

### CATEGORY

1. Investing
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### TICKERS GLOBAL

1. TSX:EMA (Emera Incorporated)
2. TSX:NWC (The North West Company Inc.)

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