



3 Canadian Stocks to Buy to Help You Beat Inflation

Description

Over the past few months, due to various factors in the economy, we've started to see inflation rise considerably. Whether it's food, the price of housing and rent, and now, especially gas prices, Canadians continue to be impacted by rapidly rising costs. Luckily, though, you can use your investments to buy top Canadian stocks that can help you to offset this inflation.

Inflation is something that economists and investors are always watching. With recent numbers already at 40-year highs and now with energy prices going through the roof, that's sure to increase. Energy, of course, makes gas more expensive for us. However, it also makes it more costly to transport the goods we purchase, such as groceries.

So as things stand, it doesn't look as though inflation will cool off for a while. However, here are three top Canadian stocks to buy now, that can help you offset inflation.

A top Canadian energy stock

Of course, some of the best Canadian stocks to buy today if you're worried about inflation are energy stocks. That's why a top producer, such as **Crescent Point Energy** (TSX:CPG)(NYSE:CPG), is a stock that can help you beat inflation.

Gas prices and costs are rising, but so are Crescent Point's revenue and income. In just the past month, Crescent Point's share price has gained roughly 20%, showing how higher energy prices are positively impacting its operations.

Already, through 2021, Crescent Point saw its revenues increase more than 90% year over year (Y/Y). Furthermore, its gross profit increased more than 150% Y/Y as oil prices climbed from roughly US\$50 a barrel at the start of 2021 to US\$75 a barrel by year's end.

So with oil prices now at roughly \$120 a barrel, and the potential for more production increases, Crescent Point and top energy producers like it, are some of the best Canadian stocks to buy in this high-inflation environment.

A top consumer staple stock

In addition to Crescent Point, another high-quality stock to consider today is **North West Company** ([TSX:NWC](#)).

Many consumer staples can typically increase their prices as their costs rise to offset the impacts on their margins. But North West specifically has found synergies with its operations. In addition, it's been vertically integrating its operations for years now, allowing the company the opportunity to find more cost savings as they inevitably rise in the coming months.

Plus, the fact that it operates in an essential industry and pays a reliable and attractive dividend, it's one of the best Canadian stocks you can buy to help protect you from both inflation and market uncertainty.

So although the stock has gained slightly in the last couple of weeks, it's still slightly below fair value, in my opinion. Plus, the dividend growth stock offers a [yield](#) of roughly 4% at its current price.

One of the best Canadian stocks to buy, during heightened inflation or not

Lastly, one of the best Canadian stocks you can buy regardless of the inflation situation is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)).

Brookfield is an exceptional investment because it's one of the best defensive stocks you can buy while simultaneously being one of the best long-term [growth stocks](#) in Canada.

Because it has such high-quality and reliable infrastructure assets, which are all essential and therefore have robust cash flows, you can count on the company to perform well, even during economic downturns. Plus, because it's diversified well by industry and geography, it's an even safer investment that you can have confidence owning for years.

In addition, many of these infrastructure assets have contracts that tie their revenue to inflation. Meanwhile, much of Brookfield's costs are fixed. So it's easily one of the best Canadian stocks to buy when inflation is rising.

But more importantly, it's proven to have an excellent long-term growth strategy. Brookfield focuses on acquiring infrastructure assets that are undervalued or that it can organically grow. This is how it generates value for shareholders over the long haul.

Therefore, considering Brookfield is such an exceptional stock, and it can actually realize a tailwind from inflation, it's certainly one of the best Canadian stocks to buy now.

CATEGORY

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2. Stocks for Beginners

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1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:VRN (Veren)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:NWC (The North West Company Inc.)
5. TSX:VRN (Veren Inc.)

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Date

2025/09/27

Date Created

2022/03/09

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