



2 Beginner TSX Stocks to Buy in a Volatile Market

Description

We shouldn't be all that surprised with volatility spiking in the stock market right now. Prior to the recent geopolitical tensions in Ukraine, investors were already coping with the uncertainty surrounding rising interest rates and a global pandemic.

I wouldn't blame short-term investors for being on the sidelines right now. It's difficult enough to predict short-term performance in the stock market in the calmest of times, let alone when volatility is off the charts.

The beauty of investing for the long term is that you don't need to focus on short-term market impacts. Instead, you can spend your time researching quality businesses to add to your investment portfolio.

Fortunately, the recent volatility has created lots of [buying opportunities](#) for those with some cash to spare.

Here are two [top TSX stocks](#) that Canadian investors should have on their watch lists this month. Both companies have a long track record of returning value to shareholders. On top of that, the two stocks are perfect choices for reducing volatility in a portfolio.

TSX stock #1: Algonquin Power

When it comes to defensiveness, utility stocks are some of your best bets. They're far from the most exciting companies, but they can help keep your portfolio stable in inevitable times of volatility.

At a market cap of \$10 billion, **Algonquin Power** ([TSX:AQN](#))([NYSE:AQN](#)) is a leading utility provider in Canada. The company also boasts a growing presence in the U.S.

Utility stocks aren't known for driving market-beating returns that Algonquin Power has done nothing but that in recent shares. Shares of the TSX stock are up more than 50% over the past five years. Including [dividends](#), that's good enough for more than doubling the returns of the **S&P/TSX Composite Index**.

One way to keep your portfolio afloat during volatile market periods is passive income. Dividend stocks can help you do exactly that. And at today's stock price, passive-income investors won't find many better options on the TSX than Algonquin Power.

The company's annual forward dividend of \$0.87 per share currently yields 4.5%.

TSX stock #2: Brookfield Asset Management

My second top pick in March can offer a whole lot to investors. Whether you're looking for growth, diversification, or even passive income, **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) has you covered.

There's no question that the asset management company owns an impressive track record of market-beating growth. It's the diversification, though, that really puts Brookfield Asset Management in a league of its own among TSX stocks.

Brookfield Asset Management has operations spread across the globe, providing investors with exposure to a range of different economies. In addition to that, the \$100 billion company manages both public and private investments, spanning a variety of different sectors of the market, giving investors even more diversification.

At some point, too much diversification is a bad thing, which Peter Lynch coined as "diworsification."

Brookfield Asset Management has definitely proved that it's nowhere near the point of being overdiversified. The TSX stock is up a market-crushing 110% over the past five years. In comparison, the Canadian market has returned less than 40%.

If you've got some spare cash to invest this month, but aren't exactly sure where to deploy it, Brookfield Asset Management is an incredibly solid choice.

CATEGORY

1. Investing
2. Stocks for Beginners

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BN (Brookfield Corporation)

3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:BN (Brookfield)

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. kduncombe
2. ndobroruka

Category

1. Investing
2. Stocks for Beginners

Tags

1. Editor's Choice

Date

2025/09/30

Date Created

2022/03/14

Author

ndobroruka

default watermark

default watermark