



## 3 Safe Stocks to Buy That Will Protect and Grow Your Capital

### Description

Often investors think they have to compromise growth potential for safety and vice versa. And while this might be true in theory, there are plenty of high-quality Canadian stocks to buy that are both safe and offer significant growth potential.

The key is to look for businesses and industries that are defensive first. And then identify which businesses have the best operations and which stocks offer the most long-term growth opportunities.

And as long as the opportunities that the stock in question has to grow don't impact its safety — for example, a tonne of [leverage](#) — then it will likely be one of the best Canadian stocks you can buy.

So if you're looking to buy safe growth stocks in this market environment, here are three to consider now.

### A highly safe utility stock to buy and hold for years

Anytime you want a safe investment, finding companies in highly resilient and recession-proof industries is ideal. That's why a utility stock like **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)), which also happens to have a significant green energy portfolio, is one of the best stocks to buy if you're looking for something safe.

Algonquin's utility operations are well diversified across several states in the United States. Furthermore, these operations account for roughly 70% of Algonquin's business.

Meanwhile, green energy is an industry that's also highly defensive. But in addition, it offers years of growth potential as we continue to rely more on cleaner energy.

Plus, on top of the safety and growth potential Algonquin offers, it also pays a growing [dividend](#) that yields upwards of 4.4%. So, in addition to being a safe stock that can grow your money, it's one of the top long-term growth stocks to buy too.

## Residential real estate is a safe investment

In addition to utilities, owning high-quality real estate funds, which give you instant diversification, can be another highly robust investment. Residential real estate is highly recession-proof, making these stocks extremely safe, but they also offer tonnes of growth potential as well, which is why they are some of the best to buy.

**Canadian Apartment Properties REIT** ([TSX:CAR.UN](#)) is a great example. It owns over 60,000 residential units diversified all across Canada. And although the price of the stock can be a bit more volatile than a utility like Algonquin, its business operations and cash flow are still highly robust.

So it's one of the best stocks to buy if you plan to hold long-term because you can mitigate any short-term volatility, making it extremely safe and a top stock to grow your capital.

Right now, CAPREIT provides a yield of roughly 2.7% and has increased that distribution by roughly 15% over the last four years.

## A top infrastructure stock to buy for the long haul

Lastly is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)). Brookfield is one of the best stocks to buy if you're looking for something safe because its entire portfolio of investments is made up of essentially recession-proof assets.

Infrastructure assets are often at the core of the economy and therefore have highly resilient operations. But Brookfield, while owning highly defensive assets, operates as a growth company, constantly looking to grow value for investors.

In addition, it's also consistently increasing the distribution every year, with an annualized goal of 5% to 9% increases.

Therefore, not only can you bank on Brookfield to continue earning strong cash flow through thick and thin while consistently growing the value of your investment over the long haul, but it will constantly increase the passive income it provides you. And today, that distribution offers a yield of roughly 3.5%.

So if you're looking for a high-quality growth stock that you can own for years, Brookfield and its high-quality portfolio are incredibly safe.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)

4. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
5. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)

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