



2 Dependable TSX Stocks I'd Buy in a Volatile Market

Description

Just when it looked like the Canadian stock market was turning the corner, things quickly began to unravel.

It's been a volatile year in 2022, to say the least. But in mid-March, the **S&P/TSX Composite Index** started gaining momentum and was showing signs of bullishness. That all came crashing down, though, as the index lost more than 3% in the final two trading days of last week.

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In the short term, it's anybody's guess as to how the stock market will perform. With rising interest rates, heated geopolitical tensions, and the lingering effects of the pandemic, it's harder than ever to predict short-term movements.

Fortunately, Foolish investing is all about buying and holding for the long term. Rather than worrying about where a company may be trading in six months, long-term Foolish investors are much more focused on finding market-leading companies with a long runway of [growth potential](#).

Anyone with a long-term time horizon would be wise to have these two [TSX stocks](#) on their radar right now. Both picks are trading below 52-week highs, but that may not be the case for much longer.

TSX stock #1: Brookfield Asset Management

This TSX stock offers Canadian investors a unique mix of diversification and market-beating growth potential. **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) owns and operates a wide-ranging portfolio of assets spread across the globe, which provides its shareholders with plenty of diversification.

Despite the company's broad portfolio, it hasn't had any trouble outperforming the Canadian market's returns. Brookfield Asset Management has more than doubled the returns of the S&P/TSX Composite

Index over the past five years.

It's never a bad time to be investing in a TSX stock like this. And with shares of Brookfield Asset Management now down 10% from 52-week highs, Canadian investors won't get many better buying opportunities than this.

TSX stock #2: Constellation Software

The [tech sector](#) has been amongst the hardest-hit areas of the Canadian stock market as of late. Many market-leading tech stocks with years of market-crushing gains are now trading at massive discounts.

While **Constellation Software** ([TSX:CSU](#)) may be trading below all-time highs, the company has held up impressively through the recent volatility. Shares are down just about 10% from all-time highs, but the company is still on par with the Canadian market's returns over the past 12 months.

Now valued at a market cap of over \$40 billion, Constellation Software is one of the largest tech stocks on the TSX. As a result, growth has been slowing in recent years, as the company has become more dependent on acquisitions to help drive growth.

Still, the TSX stock has returned more than 200% to its shareholders over the past five years. In comparison, the S&P/TSX Composite Index has returned less than 40%.

Even so, Constellation Software is still a growth stock in a volatile sector. But I'd argue it's a relatively conservative pick for anyone looking to add some growth to their portfolio.

Don't let the slowing growth keep you from becoming a Constellation Software shareholder. I'd bank on many more years of market-beating growth for this top TSX stock.

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2. TSX:BN (Brookfield)
3. TSX:CSU (Constellation Software Inc.)

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