



There's Nothing to Fear in a Market Pullback

Description

After the dismal week the market has been through, there's increasing chatter about this turning into a recession. And while the current market pullback might be a pre-cursor to something bigger looming on the horizon, there's no reason why investors shouldn't see this as a [stellar opportunity](#).

Warren Buffett said it best

The Oracle of Omaha is well known for his quotes that have lasting effect. In fact, one of my all-time favourite quotes of his pretty much sums up the sentiment on the market right now.

"Be fearful when others are greedy and greedy when others are fearful."

The over-arching view behind that quote is sheer genius. In simple terms, when investors horde a stock (become greedy), it drives prices up, which inherently drives the value you get for that stock down. That value is what you are really buying.

Alternatively, when investors are fearful and then sell in droves, that drives the prices lower, and, by extension, value higher. This can be viewed as an opportunity.

Turning to the current market, it's of no consequence that the aptly named fear index is sliding deeper to the fear side of late. In other words, there are opportunities to be realized.

Given all the market volatility and fear circulating, where should investors turn to for gains?

Finding value is what this company does

One of the hidden gems of the market to consider during times like the present is **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)).

Brookfield specializes in identifying, acquiring and turning around distressed assets. The company is

huge and has a massive war chest at its disposal to make those acquisitions. Acquisitions that usually come to fruition when there's a market pullback — like the current environment.

One of the benefits to Brookfield's diversified approach is that those acquisitions can be anywhere. Think renewable energy, infrastructure, real estate, and more.

In fact, Brookfield is the largest commercial landlord in North America. It owns large swaths of downtown New York, Toronto, and Los Angeles. On the renewable energy front, Brookfield operates one of the largest portfolios of renewable energy with over \$65 billion under management across over 6,000 facilities.

In other words, to say that Brookfield is well diversified would be a gross understatement.

The sheer size, stability, and growth potential of Brookfield is off the charts. Throw in a respectable quarterly dividend (more on that in a moment), and you have a great investment for any environment, even during a market pullback.

What about results?

Earlier this year, Brookfield provided results for the fourth fiscal of 2021. During that period, Brookfield reported earnings of US\$1,118 million, or US\$0.66 per share. By way of comparison, during the same period last year, the company posted earnings of US\$640 million, or US\$40 per share.

The company noted that the record-breaking earnings report will produce tailwinds for the company moving into fiscal 2022.

In terms of income, Brookfield offers investors a quarterly dividend with a yield of 1.03%. That's hardly the best yield on the market, but it is stable, and growing. Speaking of growth, Brookfield announced an 8% hike to that dividend in the most recent quarter, reflecting yet one more reason to invest in the stock, and not just a market pullback.

Final thoughts on the market pullback

Brookfield boasts one final reason why this might be a good time to buy — others are fearful right now. Specifically, the stock has dropped over 17% year to date, making it a great stock to buy at a discount.

In my opinion, Brookfield is a great option to have as part of a larger, well-diversified portfolio.

Go on, [be greedy](#).

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