



3 Canadian ETFs to Buy to Help Navigate the Ongoing Volatility

Description

It goes without saying that there is a tonne of volatility and risk in markets these days. However, despite all the risk and uncertainty, there are plenty of investments, both Canadian stocks and ETFs, that you can buy that will protect your capital, giving you the confidence to hold the in the current environment.

For example, certain stocks with essential business operations are always great investments. Some companies and industries are well known for offering low-risk and predictable returns.

There are even many high-quality Canadian ETFs you can buy that are already naturally safer investments, and offer exposure to some of the most reliable companies on the market.

If you're looking to shore up your portfolio, here are three of the best ETFs that Canadian investors can buy now.

This low-volatility fund is one of the best Canadian ETFs to buy now

It's no surprise that the first ETF on the list if you're looking to navigate this highly volatile environment, is **BMO Low Volatility Canadian Equity ETF** ([TSX:ZLB](#)).

ZLB offers investors exposure to several of the most reliable companies and the [least-volatile stocks](#). ETFs are some of the best investments for Canadians to buy during this environment, because they help eliminate single-stock risk.

However, when you can find a fund that offers that diversification and is entirely made up of the safest Canadian stocks, it's an ETF you can have confidence buying and holding through unfavourable market environments.

In addition, because it holds stocks from many sectors such as financials, consumer staples, and utilities, it's already pulled back and now offers much less downside risk. And, of course, since the

stocks it holds are high-quality and well-established businesses, the fund pays a distribution that currently yields 2.6%.

It's not the most exciting investment, but if your goal is to find Canadian stocks or ETFs that can protect your capital, it's undoubtedly one of the best ETFs to buy now.

The Canadian Dividend Aristocrats ETF is an excellent long-term investment

One of the reasons that volatility has been so high lately is due to fears of a potential recession on the horizon. And in this environment, some of the best investments to buy are reliable dividend stocks. If you're looking for the best Canadian ETFs to buy now, I'd strongly consider **iShares S&P/TSX Canadian Dividend Aristocrats Index ETF** ([TSX:CDZ](#)).

Canadian Dividend Aristocrats are essentially stocks that are constantly increasing their dividends every year. That's attractive, of course, from a growth standpoint. However, any company that can consistently increase its dividend clearly has a safe dividend to begin with.

Canadian Dividend Aristocrat stocks typically have some of the best and most reliable businesses to gain exposure to, which is why an ETF that lets you buy shares of all these stocks at once is one of the best investments Canadians can buy now.

To get an idea of how reliable the CDZ is, it's currently trading near the bottom of its 52-week range, yet it's still less than 10% off its 52-week high.

If you're looking for one of the best Canadian ETFs to buy now, the CDZ is not just safe. It also offers investors a yield of roughly 3.4%.

You may want to consider adding gold to your portfolio

If you're an investor without exposure to gold, that's another asset that you could consider taking a long-term position in to help mitigate the ongoing risk in markets. And while ETFs offer an advantage because of their diversification with all types of investments, picking individual gold stocks can be incredibly challenging.

Therefore, one of the best Canadian ETFs to buy now is **iShares S&P/TSX Global Gold Index ETF** ([TSX:XGD](#)). The XGD ETF offers exposure to several gold stocks, all with operations in different parts of the world, giving investors an incredibly diversified fund to gain exposure to gold.

Gold can offer a hedge against inflation, but it's also a safe-haven asset. Therefore, taking a long-term position in gold can help shore up your portfolio.

If you don't own any gold and you're looking for more Canadian ETFs to buy that will increase your portfolio's resiliency, XGD is certainly one of the best.

CATEGORY

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1. TSX:CDZ (iShares S&P/TSX Canadian Dividend Aristocrats Index ETF)
2. TSX:XGD (iShares S&P/TSX Global Gold Index ETF)
3. TSX:ZLB (Bmo Low Volatility Canadian Equity ETF)

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