3 TSX Stocks I'll Hold Even in a Market Correction

Description

It can be a really hard time to decide what to do with your investments during a market correction. Motley Fool investors first were "treated" to a market correction between Mar. 29 and mid-May. The **TSX** fell by 10.8%, and it hasn't done much better since.

In fact, after recovering 6.77% between mid-May and the beginning of June, shares are back down by almost 5% as of writing. That's back to the correction territory we saw back around May 12. And it's leaving Motley Fool investors with no idea what to do on the TSX today.

But let me be clear. Markets go down, but they do come back up. Not all stocks will recover. But these three TSX stocks are ones I'll never get rid of, even during a market correction.

CIBC

The Big Six banks are some of the best places to put cash during a market correction. These companies have provisions for loan losses, which has allowed them to return to pre-crash norms within a year. Even during major recessions.

And let's be honest, a recession could potentially be on the way if things continue in this way for TSX stocks. That makes now a great time to invest in a bank like **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM). I invest in a few banks, but I like CIBC on the TSX today because of its dividend. It will provide me with passive income that will support my portfolio while I wait for a recovery.

Shares of CIBC are down 11% year to date, trading at 9.31 times earnings and offering a dividend of 4.93%.

Brookfield Renewable

I like setting my TSX stocks up for the future, and that's why I've been moving away from oil and gas and towards renewable energy. **Brookfield Renewable Partners** (TSX:BEP.UN)(NYSE:BEP) is one of my favourites because of this. It has a diversified range of clean energy assets around the world, providing me with diversification.

However, it also provides me with the massive opportunity of growth in the renewable sector over the next few decades. So, not only would I leave my shares alone in a market correction, but I'd buy some up — especially as it also offers passive income that will support my portfolio on the TSX today.

Shares of Brookfield Renewable are down 2% year to date and 15% since March, offering a dividend of 3.5%.

ZWC

Finally, I want to also keep my portfolio safe, and that means looking at TSX stocks in the exchange-traded fund category. I want high dividends with stable growth that will see me through market corrections and even recessions for the future, which is why I like **BMO Canadian High Dividend Covered Call ETF** (TSX:ZWC).

ZWC ETF focuses on creating a high dividend, with stable returns supported by covered calls. In the case of ZWC, it offers a dividend yield of 6.41% as of writing. That passive income comes out every single month, providing me with not just stable but regular payments in my portfolio.

Shares of ZWC ETF are down 3% on the TSX today year to date.

Foolish takeaway

Motley Fool investors may want to sell everything right now as we go into protection mode. But that is *not* how you protect your portfolio. If you truly want to see your investments come out the other side on the TSX today, you want to choose strong, long-term options like these. In my case, I'll be holding onto these TSX stocks for as long as I can.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:BEP (Brookfield Renewable Partners L.P.)
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3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:ZWC (Bmo Canadian High Dividend Covered Call ETF)

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