



RRSP Investors: 2 Resilient Stocks to Buy for the Long Run

Description

[New RRSP investors](#) shouldn't fret over the recent barrage of volatility. Whether or not the latest relief rally is just another short-lived bull trap is anybody's guess. Regardless, RRSP investors should focus on the only investment horizon that matters: the long term. As interest rate hikes come in, the economy is bound to pull the brakes. Just how hard the brakes will be pulled remains a giant question mark. In any case, the consumer may not be nearly as fragile as the most bearish folks on the Street are led to believe.

Though we've heard a lot about hiring freezes and rescinded job offers of late, most of such news is coming from the ailing tech sector. Further, a majority of firms still struggle to hire enough workers to run day-to-day operations smoothly. It's this concentration of pain in the tech sector and difficulty retaining talent that may very well help us avoid a rocky landing, as the central bank continues raising the bar on interest rates.

In short, it may take a lot more than inflation-curbing rate hikes to derail this consumer. However, their change in spending habits in response to high inflation is remarkable. In this piece, we'll have a look at two resilient Canadian stocks that I believe can power through a coming period of economic sluggishness enroute to the next bull market.

Quality companies at bargain prices

The outlook may seem grim today, but as you may know, things can change in a hurry. And markets will surely reflect any better-than-feared quarterly results, as we push through yet another earnings season.

Companies like **Spin Master** ([TSX:TOY](#)) and **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) are prime examples of quality businesses that can continue "swimming" forward, even as economic tides turn against them.

Spin Master

Spin Master is a toymaker that's really made a splash in the digital games business over the years. Though Spin Master remains a traditional toy company, rather than a gaming firm, I think that the digital segment's pandemic-era, triple-digit growth numbers are tough to ignore. Indeed, Spin Master has compelling brands that translate well into the realms of video and gaming.

Paw Patrol, Hatchimals, and a wide range of other iconic brands will help Spin move through a recession without sustaining excessive amounts of damage. Indeed, the holiday season is where Spin shines brightest. If consumer sentiment slows further, there's a real chance that Spin could miss the mark. In any case, the earnings bar is already set quite low, and the firm is more than capable of delivering a couple of hit products that can allow Spin to take a bit of share away from its rivals.

Restaurant Brands International

Restaurant Brands International is a fast-food firm that could see sales stay strong as we enter a mild recession or economic slowdown. Fast-food items tend to experience stable demand when consumers begin tightening their budgets. Amid high inflation and macro uncertainties, consumers can find comfort with value menus in restaurants like Burger King or Tim Hortons.

With a yield north of 4% and a balance sheet that leaves room for more M&A, it's hard to be bearish on the name, even if you believe the second half will be as treacherous as the first.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:QSR (Restaurant Brands International Inc.)
3. TSX:TOY (Spin Master)

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