Start Investing in the Last Quarter of 2022

Description

If there were two words that sum up what 2022 has been like, it would tumultuous and volatile. In many ways, what we've been through this year makes the pandemic-obsessed year that 2021 seemed normal in comparison. The last quarter of 2022 doesn't need to be that chaotic.

There are some great investments on the market that boast some defensive appeal to navigate through that volatility. This makes them great options for both new investors and seasoned pros alike.

Here's a look at some of those options to consider buying for your portfolio.

The appeal of a railroad is really underestimated

Railroads are often dismissed as investment options. While there are several reasons for that misconception, at the top of the list is the view that railroads are dated relics from the prior century.

To show how wrong that view is, let's look at **Canadian National Railway** (TSX:CNR)(NYSE:CNI) as a viable addition to your portfolio for the last quarter of 2022.

For those that are unaware, Canadian National is the largest railroad in Canada, with a sprawling network that spans over 32,000 km. In fact, Canadian National is the only railroad on the continent that has direct access to three separate coastlines.

That massive network helps Canadian National haul upwards of $250 billion worth of goods each year. The freight that Canadian National hauls can be anything from automotive components, chemicals, and raw materials to wheat, crude oil, and finished products.

That network connects those goods between ports, factories, and warehouses across the continent. This makes Canadian National an integral part of the entire continental economy.

Adding to that is the defensive appeal of that network. In most cases, rail networks were built prior to the communities that surround them. To even consider a competitor emerging and attempting to build out a comparable network would require decades of construction and cost tens of billions.

Finally, let's talk dividends. Canadian National offers investors a tasty quarterly dividend. That dividend currently carries a yield of 1.77%. While that yield may seem lower than other income stocks, investors need to keep growth in mind.

Canadian National continues to provide investors with a handsome annual uptick in that dividend. In fact, the railroad has maintained that cadence for an incredible 25 consecutive years. This significantly increases the long-term appeal of the stock as a buy-and-hold investment for the last quarter of 2022.

Telecoms make great investments to put on auto-pilot

Canada's telecoms are some of the best long-term investments to consider in the last quarter of 2022. High up on that list of telecom stocks is **BCE** (TSX:BCE)(NYSE:BCE).

BCE is one of the largest telecoms in Canada, that also boasts a sprawling media segment. That media segment includes dozens of TV and radio stations that provide a complementary revenue stream to BCE's core subscription business.

Speaking of core subscriptions, BCE's wireless and internet segments have shifted in importance over the past few years. As a result of the pandemic, a change in how we learn and work has pushed both services into the realm of necessity. This has, in turn, provided a boost to BCE's results.

By way of example, in the most recent quarter, BCE's wireless segment reported an incredible 110,761 net new activations in the quarter. This represents a whopping 139.5% bump over the same period last year.

That impressive growth helps BCE continue to pay out its juicy dividend, which is a feat the telecom has done for over a century without fail. The current yield works out to an impressive 5.61%, making it one of the better-paying options on the market.

Buy in the last quarter of 2022

No investment is without risk, but investors should always look to minimize that risk. That's why the defensive appeal of Canadian National and BCE are key factors to look for during times of volatility.

In my opinion, both stocks are great options that should form part of any well-diversified portfolio.

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3. TSX:BCE (BCE Inc.)

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