



## Inflation Stays Hot: 2 TSX Stocks to Protect Your Wealth

### Description

We all want inflation to go away already. It's plagued us at the grocery store, the gas pump, and everywhere in between. With U.S. consumer price index numbers coming in hotter than expected, and with inflation still well above 7%, there's concern that central banks may need to pick up the pace further with rate hikes to see prices brought back under control. It's a terrible situation to be in, and investors are a tad worried that the medicine central banks are using may be just as bad as inflation's impact.

Undoubtedly, nobody wants to see a recession and a return of the type of environment we briefly flirted with in the early innings of the 2020 stock market crash. Eventually, the Federal Reserve (the Fed) and Bank of Canada will ease off on the rate hikes, but not until they've accomplished their mission. As markets turn lower over the hotter inflation number, don't expect Fed chairman Jerome Powell to announce any measures to accommodate stocks. Though a soft landing would be ideal, investors should be prepared for a rockier ride, because we are entering uncharted territory.

This piece will check out two TSX stocks with reliable dividends and pricing power. When you hunt for securities that can help you navigate an inflationary hailstorm, such traits can help investors dampen the inevitable blow coming their way.

When seeking out dividend stocks, bigger isn't always better. Instead, investors should insist on lengthy dividend histories that include frequent hikes. Further, investors should weigh a firm's cash flow stability in the face of a downturn. Yes, the 2023 recession could prove super mild. However, there's a slight chance that it could prove more severe. And investors should be ready for anything to happen as the wild 2020s continue.

## TC Energy

**TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) is an incredibly well-run North American midstream company with a diverse range of pipeline assets spanning Canada, the U.S., and Mexico. With the ongoing Ukraine-Russia crisis hurting the world's [energy](#) supply, the demand for domestic oil and gas could continue to stay robust for years down the road.

The 5.69% dividend yield may not be the highest of the pipeline firms. However, TC Energy arguably has one of the most exciting growth plans. With the latest partnership with Mexico's state-owned utility, TC Energy has an opportunity to take its Mexican natural gas and liquified natural gas (LNG) business to the next level.

TC Energy is a utility-like firm that's likely to continue rewarding investors with growing payouts for many years to come. In due time, I wouldn't be surprised to see TC Energy follow in the footsteps of its peers with big renewable energy projects.

## Agnico Eagle Mines

**Agnico Eagle Mines** ([TSX:AEM](#))([NYSE:AEM](#)) is a gold miner that's really been weighed down by lacklustre gold prices. Though gold could sag below the US\$1,700 level, I'd argue that a steep downturn in gold prices is already partially baked into AEM stock.

Undoubtedly, gold miners tend to amplify the moves made by commodities they produce. The stock shed over 40% at its worst before bouncing back to \$56 and change per share. At writing, shares yield 2.75%, which is well above the precious metals industry average yield of 2.2%. Even with weakness in precious metal prices, I view the payout as safe, albeit a tad stretched at 88.45%.

Gold is a time-tested asset, and it's heavily out of favour in an environment where uncertainties couldn't be greater. I think gold is way oversold and due for a steep move higher, as [investors](#) hit the panic button over rates.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:AEM (Agnico Eagle Mines Limited)
2. NYSE:TRP (Tc Energy)
3. TSX:AEM (Agnico Eagle Mines Limited)
4. TSX:TRP (TC Energy Corporation)

### PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media

7. Sharewise
8. Smart News
9. Yahoo CA

#### **PP NOTIFY USER**

1. joefrenette
2. kduncombe

#### **Category**

1. Investing

#### **Date**

2025/07/17

#### **Date Created**

2022/09/14

#### **Author**

joefrenette

default watermark

default watermark