



3 TSX Stocks I'd Buy Without Hesitation This Week

Description

It's understandable if your investment strategy has been impacted by the market's performance this year. In addition to the **S&P/TSX Composite Index** trading at a loss of close to 10% this year, [volatility](#) has been unbearable.

It seems as if every other week, the stock market is experiencing extreme price swings based on macro-economical events. And with a recession looming around the corner, I don't blame investors who feel safer on the sidelines today.

Investing in a bear market

I'll admit that the uncertainty in the stock market this year has had an impact on my investing strategy. However, what hasn't changed is my consistency in putting money into the stock market. What has changed has been the types of companies that I've been buying.

Over the past couple of years, my portfolio has slowly skewed toward high-growth tech stocks. Unsurprisingly, that's led to a lot of painful losses over the past 12 months.

The recent volatility has made me rethink the diversification in my portfolio and come to the realization that I lacked stability and defensiveness.

Here's a list of three TSX stocks that are at the top of my watch list right now. These aren't the most exciting companies around, but you can rely on them during the toughest of market conditions.

Algonquin Power

As a Canadian utility leader, there aren't many more defensive stocks around than **Algonquin Power** ([TSX:AQN](#)).

Demand for utilities tends to remain fairly stable regardless of the condition of the economy. As a

result, volatility levels typically remain low for utility stocks.

In addition to providing defensiveness, Algonquin Power can also be a significant passive-income generator. At today's stock price, the company's annual dividend of \$1.00 per share is nearing an incredible 7% yield.

What's better than a defensive juggernaut yielding over 6% heading into a potential recession?

Royal Bank of Canada

Speaking of dependable high-yielding stocks, the [Canadian banks](#) are another group of companies that I'd feel comfortable holding during volatile market conditions.

Similar to utility companies, there's not much to get excited about with the Canadian banks. That is, unless you're in search of dependability and passive income.

At a market cap of roughly \$175 billion, **Royal Bank of Canada** ([TSX:RY](#)) is not only the largest Canadian bank but the largest stock on the TSX.

RBC's dividend yields 4% at today's stock price.

Brookfield Asset Management

Last on my list is a perfect company for anyone who feels that their portfolio lacks diversification.

Brookfield Asset Management (TSX:BAM.A) is a global asset management company that boasts a wide-ranging portfolio of investments.

Due to the company's broad diversification, Brookfield Asset Management is as close to an index fund as you'll find within an individual stock on the TSX.

But despite its massive reach, the company owns an impressive, market-beating track record. Shares have doubled the returns of the broader Canadian market over the past five years. And that's not including the company's growing 1.4% dividend yield, either.

If you're feeling over-indexed towards a certain area of the market, Brookfield Asset Management is the perfect company to help balance that out.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AQN (Algonquin Power & Utilities Corp.)
2. TSX:BN (Brookfield)
3. TSX:RY (Royal Bank of Canada)

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