



The TSX Is Down, But These 3 Stocks Are Beating the Market

Description

The TSX today continues to trade down from January levels. And when we look at how far it's fallen since 2022 highs, it's even worse. Year to date the TSX is down 6% and 10% from heights reached in April this year.

Such poor performance can be really discouraging. However, there are some stocks that offer protection in this economic downturn. In fact, they continue to trade up, even as the TSX sinks lower.

CP stock

Canadian Pacific Railway ([TSX:CP](#)) is getting closer and closer to becoming the only railway to run from [Canada to Mexico](#). After a pretty heavy battle over **Kansas City Southern**, we're just waiting for the last few signatures that would signal a full-on takeover. And that would lead to a stream of new, stable, long-term revenue.

CP stock remains in a strong economic position, even after this purchase. Furthermore, after making cuts over the years it now has plenty of cash coming in from reliable sources. This includes grain, where the company continues to ship record grain shipments quarter after quarter.

Shares of CP stock trade up 14% year to date, with analysts predicting it to continue climbing in the next year. But once Kansas City Southern is up and running under CP, this stock could double easily in the next few years.

CGI Group

The thing about CP stock that investors love is that it's stable. When it comes to tech stocks, you might not think you can find anything similar. However, that's not the case. You can find just as much [stability](#) with a company like **CGI** ([TSX:GIB.A](#)).

The reason investors love CGI stock is because it's created a steady method of growth. This comes

from acquiring smaller businesses, giving them the resources they need to thrive, and sending them back out once more. These include essential software, such as library data bases, but also connections to essential sectors such as banks, government institutions, and more.

CGI stock is also one of the few tech stocks that's been around for decades, providing another layer of protection. Shares are up 13% year to date and yet trade at a reasonable 18.37 times earnings.

Chemtrade

Finally, this one is a bit trickier but is certainly one to consider during this downturn. **Chemtrade Logistics Income Fund** ([TSX:CHE.UN](#)) tends to be a cyclical stock, doing well when the market isn't. That being said, recently, it reported record results that cannot be ignored.

Chemtrade stock saw a 42% year-over-year increase in its revenue, with net earnings reaching \$75.3 million. Adjusted earnings before interest, taxes, depreciation, and amortization jumped 104% from last year to \$137.1 million. It also increased its guidance to between \$420 and \$430 million, up from between \$360 and \$380 million.

The growth just goes to show how necessarily industrial products continue to be and provides some protection during this poor market. Plus, you can bring in a 6.83% dividend yield as well! Shares are up 16% year to date, so it's definitely a market beater at this rate.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. TSX:CHE.UN (Chemtrade Logistics Income Fund)
2. TSX:GIB.A (CGI)
3. TSX:VRN (Veren Inc.)

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