



Worried About the Stock Market? 3 Companies to Buy and Hold for the Long Term

Description

It's been hard to keep up with the sentiment in the stock market this year. Two weeks ago, stocks soared after U.S. inflation numbers came in lower than expected. But those that have been invested in 2022 know all too well that a sudden market drop is never far away.

We've witnessed all kinds of [volatility](#) this year. Surprisingly, though, the **S&P/TSX Composite Index** is down only about 5% on the year. Major U.S. indices have fared far worse than that in 2022.

While the Canadian stock market as a whole may only be down 5%, many TSX stocks are down much more than that. And it's not only high-priced growth stocks that are trading at bargain prices. We've seen market leaders across all kinds of different industries this year drop well below all-time highs.

Now's not the time to be on the sidelines

Despite the positive news of slowing inflation, I'm not expecting volatility to slow down just yet. Both interest rates and inflation remain sky-high, creating plenty of short-term uncertainty in the stock market.

While uncertainty may be high, now could be an incredibly opportunistic time for those with a long-term time horizon to be investing. Canadian investors have the opportunity to load up on high-quality businesses that are trading at rare discounts.

Here are three discounted Canadian stocks at the top of my watch list right now.

Brookfield Asset Management

It's never a bad time to be investing in **Brookfield Asset Management** (TSX:BAM.A). The \$95 billion company is a global asset manager that boasts a wide-ranging portfolio of investments.

Even as diversified as Brookfield Asset Management is, the company is no stranger to delivering market-beating gains. Shares have more than doubled the Canadian stock market's returns over the past five years.

Investors looking to add some diversification to their portfolio should have this top Canadian stock on their radar.

Constellation Software

While many [tech stocks](#) have plummeted this year, **Constellation Software** ([TSX:CSU](#)) has fared impressively well. The Canadian tech stalwart is just about on par with the Canadian market's return in 2022.

Long gone are the days of multi-bagger gains, as Constellation Software is now a nearly \$50 billion tech giant. Still, shares are up more than 150% over the past five years, easily outpacing the Canadian market's returns.

Growth investors wary of adding more risk to their portfolios in today's volatile market conditions may be interested in this dependable tech stock.

Sun Life

Last on my list is a slow-growing, but dependable, insurance stock. There's not a whole lot to get excited about with **Sun Life** ([TSX:SLF](#)); I won't argue that. But in times of uncertainty, like what we're dealing with today, it's never a bad idea to own shares of a few dependable companies like this one.

For any investor that's uncomfortably over-indexed towards high-risk growth stocks, they'd be wise to have Sun Life on their watch list. The stock's defensiveness and passive income can both help balance out volatility in the short term. And as a growth investor myself, I could sure use a little extra defensiveness right now.

At today's stock price, Sun Life's dividend yields just about 4.5%.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:BN (Brookfield)
2. TSX:CSU (Constellation Software Inc.)
3. TSX:SLF (Sun Life Financial Inc.)

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. kduncombe
2. ndobroruka

Category

1. Investing

Date

2025/08/13

Date Created

2022/11/25

Author

ndobroruka

default watermark

default watermark