



2 Safe Stocks I'm Buying Hand Over Fist Right Now

Description

2022 has been a complicated year for investors. Not only have several headwinds impacted stocks across almost every industry, but the potential for a recession to materialize next year is also weighing on investor confidence. That's why safe stocks have been some of the best-performing stocks all year.

A recession is significant, because it can impact many companies' operations, especially those that sell discretionary goods or services.

However, recessions don't impact all companies equally. In fact, many businesses that operate in a defensive industry should be able to weather the storm much better.

If you're worried about a potential recession next year and the impact it could have on your portfolio, here are two of the most reliable stocks that I've been buying to help shore up my portfolio.

One of the safest consumer staple stocks to buy now

Consumer staples stocks are some of the best and most defensive stocks to buy ahead of economic turmoil because of the essential goods they sell. That's why **North West Company** ([TSX:NWC](#)) is a high-quality investment in this environment.

North West owns and operates supermarkets primarily in remote regions in northern Canada and Alaska. This makes it ideal, as the stock faces little competition and has a significant share of the market.

Furthermore, for years North West has worked on increasing the efficiency of its operations and improving its margins. So, it's no surprise that as the risk of a recession next year increases, North West stock continues to gain value.

Earlier in the year, the stock price fell after the positive impacts of the pandemic that North West was realizing subsided. However, now that the stock doesn't face tough year-over-year comparable numbers, and the fact that investors are looking to buy reliable [dividend stocks](#), North West is once

again beginning to rally.

Today, the stock trades at a forward price-to-earnings (P/E) ratio of just 13.9 times. And even after its recent rally, that forward P/E ratio is still lower than its five-year average of 15.5 times.

Therefore, with the stock offering a dividend [yield](#) upwards of 4%, it's one of the top stocks to buy now if you're looking for a low-volatility investment that's reliable and safe.

A top defensive growth stock

Another excellent choice for investors in this environment is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#)).

Brookfield's global portfolio of essential infrastructure assets makes it an incredibly resilient stock to buy — not just in this environment but to hold in your portfolio long term.

However, unlike other predominantly defensive businesses, Brookfield could also offer significant growth potential over the long run by consistently recycling capital.

That's Brookfield's specialty. The company is constantly selling off mature assets, especially if it can receive a premium for them. Then Brookfield will look all over the world to find these high-quality and defensive assets that it believes are undervalued or which it can use its expertise to improve profitability.

In addition, another benefit that Brookfield offers investors in this environment is that surging inflation can actually help its revenue and margins to increase since many of its costs are fixed.

Therefore, if you're looking to shore up your portfolio in this environment but still want exposure to long-term growth potential, Brookfield is one of the top safe stocks that Canadian investors can buy.

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