



## Worried About Market Volatility? Stabilize Your Nest Egg With 3 Predictable Stocks

### Description

After rising over 10% in the last two months, the S&P/TSX Composite Index has fallen by 5.6% this month. The recent comments from the Federal Reserve's chairman that the central bank would continue its monetary tightening measures, despite an uncertain economic outlook and recession fears, have dragged the index down.

Amid the [rising volatility](#), you can buy the following three top TSX stocks to strengthen your portfolio. These three stocks are less susceptible to market volatility, given their solid business models and healthy cash flows.

### Waste Connections

**Waste Connections** ([TSX:WCN](#)) is a waste management company that operates primarily in secondary or exclusive markets. Supported by its solid business model and strategic acquisitions, the company has delivered positive total shareholders' returns for the last 18 years. This year, it is trading at 5.5% higher, despite the weakness in the broader equity markets, thanks to its solid quarterly performances. Its top line and adjusted EBITDA (earnings before interest, tax, depreciation, and amortization) grew by 18% and 16.4% in the first three quarters.

With economic growth and rising exploration and production activities, I expect Waste Connections to continue its uptrend in the coming quarters. Higher prices and strategic acquisitions could continue to support its growth. Meanwhile, the company's management expects double-digit revenue growth in 2023. Also, the company has raised its [dividend](#) at a CAGR (compound annual growth rate) of over 15% since 2010. So, considering its solid underlying business, healthy growth prospects, and high dividend growth, I believe Waste Connections is an ideal buy in this volatile environment.

### BCE

**BCE** ([TSX:BCE](#)) is my second pick, as the demand for telecommunication services is rising in this

digitally connected world. Telecommunication companies enjoy stable cash flows due to their recurring source of revenue. Supported by these stable cash flows, the company has been paying a dividend for the last 40 years while raising the same at a CAGR of 5% over the previous 12 years. Its dividend yield for the next 12 months stands at an attractive 6.17%.

Supported by its accelerated capital investments, BCE has expanded its [5G](#) and broadband rollout. The company, which offers 5G service across 10 provinces, expects to cover 40% of the Canadian population with 5G+ services by the end of this year. It also expects to complete 80% of its broadband internet buildout plan by this year's end. The company's balance sheet looks healthy, with a liquidity of \$3.5 billion. Meanwhile, the company is currently trading at 17.1 times its subsequent four-quarter projected earnings, thus making it an excellent buy for long-term investors.

## Enbridge

My final pick is **Enbridge** ([TSX:ENB](#)), a Dividend Aristocrat that has been raising its dividend consistently for the last 28 consecutive years. The company operates over 40 revenue-generating assets, with around 98% of its cash flows generated from long-term contracts. So, its cash flows are primarily stable, thus allowing the company to increase its dividend consistently. With a quarterly dividend of \$0.8875, its forward yield currently stands at 6.77%.

The export of oil and liquified natural gas from North America to Europe is growing amid ongoing geopolitical tensions, thus driving the utilization rate of Enbridge. Last month, the company announced \$8 billion in new capital projects, thus increasing its secured capital backlogs to \$17 billion. Also, the company has a solid pipeline of renewable projects, with seven gigawatts of projects in the developmental stage. So, its growth prospects look promising.

Meanwhile, the company's management expects its adjusted EBITDA to come in the range of \$15.9-\$16.5 billion, with the midpoint representing a growth of 5.9% from its 2022 guidance. So, given its healthy growth prospects, high dividend yield, and cheap price-to-sales multiple of 1.8, I am bullish on Enbridge.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:WCN (Waste Connections)

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