2 Stocks to Buy for a “Whatever Happens” Market

Description

Although most investors generally want to avoid market selloffs if possible, savvy investors know that they present an incredible opportunity to buy stocks while they’re cheap. The problem many investors faced in 2022, though, and now as we begin 2023, is trying to decide exactly what stocks to buy.

Although the market has sold off in recent months, for the most part, the economy is actually still strong. gross domestic product growth hasn’t slowed as quickly as many expected it to, and the labour market is still robust.

Despite this economic strength, though, the majority of investors and economists still expect a recession at some point in 2023.

Therefore, investors have had a tough time deciding exactly what stocks to buy. On one hand, the cheapest stocks are those with higher risk. These are stocks that will likely remain cheap during a recession. On the other hand, many of the best stocks to buy for a recession don’t offer nearly as much of a discount.

There are some stocks to buy, though, that look attractive no matter what happens in the market next year. If you’ve got cash to invest today, here are two of the best stocks to consider whether the market continues to rally throughout the year or begins to sell off significantly.

One of the best growth stocks to buy in a highly defensive industry

In uncertain environments, such as the one we’re dealing with today, some of the best stocks to buy are defensive businesses that also have impressive growth potential. That’s why one of the top stocks you can consider buying for your portfolio in 2023 is **Jamieson Wellness** (TSX:JWEL).

Jamieson is one of the most defensive businesses you can buy because it’s an ultra-popular maker and marketer of health supplements, such as vitamins and minerals. These are products that are essential to the health of consumers and, therefore, are products that are much more defensive and see less of a drop off in sales due to a recession.

Furthermore, in addition to manufacturing vitamins under its own brand names, Jamieson also manufactures products for other companies, helping to diversify its operations.

However, the fact that Jamieson has such defensive operations is only part of the reason why the stock is one of the best to buy today. It also has a tonne of growth potential and has demonstrated for years what a top growth stock it can be.

Not only has Jamieson been expanding its operations internationally in recent years, but it's also shown it can grow by acquisition, giving it significant growth potential in the future.

From 2016 to 2021, Jamieson's revenue increased at a compound annual growth rate of 12.7%. Furthermore, analysts expect that 2022 revenue will come in at over $550 million, an increase of more than 23% year over year. And in 2023, analysts expect Jamieson's revenue will grow another 25% year over year to almost $700 million.

Therefore, while Jamieson trades at a forward price-to-earnings ratio of just 20.2 times, below its three-year average of 25.8 times, it's one of the best stocks to buy, especially in this uncertain environment.

A top green energy stock to buy and hold for years

In addition to Jamieson, another excellent stock you can buy in this uncertain environment and hold for years to come is **Northland Power** (TSX:NPI), one of the top green energy stocks in Canada.

Green energy is one of the best industries you can invest in today. First off, power generation is an essential service, so these stocks are often highly defensive. Furthermore, green energy is an industry with significant long-term growth potential, as we try and slow the effects of climate change.

In addition, Northland has shown what a high-quality operator it is and what an excellent long-term growth stock it can be.

Just last week, Northland hosted its investor day and issued its guidance for 2023, suggesting it will earn between $1.2 and $1.3 billion in earnings before interest, taxes, depreciation, and amortization (EBITDA) this year.

So, with Northland trading at a forward enterprise value (EV) to EBITDA ratio of just 11.3 times, the cheapest it's been since the start of the pandemic, it's certainly one of the top stocks to buy for the long haul.

CATEGORY

1. Investing

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1. TSX:JWEL (Jamieson Wellness Inc.)
2. TSX:NPI (Northland Power Inc.)

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1. Investing

Date
2025/06/27
Date Created
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