

A Safe Place

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According to the 2006 US Census Bureau, there are 78 million Baby Boomers that comprise a whopping 26 percent of the population. Because of the sheer number of this generation, their future could have a great impact on future markets. Now is the time to start looking ahead at how this unique generation could not only affect the broad healthcare sector, but also individual portfolios.

As Baby Boomers enter retirement and become senior citizens, they will face the same struggles and as older Americans of any other generation. However, the impact will be greater because there are just so darn many of them. Safety, after all, can be found in numbers. And there are plenty of Baby Boomers. A particular stock worth investigating as the largest generation continues to grow older is Johnson & Johnson (JNJ). With very little volatility, JNJ is not a sexy stock. But it's a solid one. Here's why:

Multiple Business Lines

Johnson & Johnson doesn't put all their eggs in one basket and neither should investors, especially when it comes to healthcare stocks and pharmaceuticals in general. JNJ diversifies with multiple business lines, including consumer products, diagnostics, and pharmaceuticals. Because they have safety nets firmly in place, they are able to pursue the more risky facets of the industry with much less risk than many of their competitors.

Research and Development

Johnson & Johnson is committed to research and development. They have a pipeline of new medicines and technologies, and take great pride in their continued medical research. Recently, they have developed ceramic orthopedics and less invasive surgical tools.

Low Risk

With a low uncertainty value and wide economic moat, Johnson & Johnson is not a company that will provide a trading junkie a quick fix. But it also won't leave a stock holder needing a pacemaker, either. JNJ has proven time and time again they are around for the long haul.

Johnson & Johnson is trading dangerously close to its fair market value price of \$102, but this company boasts a solid balance sheet. It also rewards investors with a respectable dividend of almost 3 percent.

There is no denying that Johnson & Johnson offers the best of both worlds. It allows investors a safe opportunity to diversify with a healthcare stock. But, because the company is also diversified with its products, it presents much less of a risk than its pharmaceutical counterparts.

As Baby Boomers age, the need for all things medical will eventually boom as well. As the largest and most diversified health care company in the world, Johnson & Johnson is a

safe healthcare bet in an America that is growing older. They are as classic, timeless, and respected as the Baby Boomer generation.