Why You Should Invest During a Recession

Description

Nothing strikes fear in investors quite like talk of a recession. Wall Street's shoddy December is a great reminder of how the mighty bear can cause investors to sell off.

Luckily, we have your back regardless of market conditions to keep your portfolios strong if markets start to dip into a recession. Here are three stocks in three industries I like.

MedTech

Medtech is one of those industries that always seems to defy market conditions, both up and down. The reason why? People are constantly getting sick, regardless of whether they have more disposable income or not. Bull or bear, hospitals will operate normally, making medtech a healthy addition to an investor's de-risked portfolio.

Therapeutics company **Greenbrook TMS** (TSX:GTMS) has high-growth potential in the mental disorders space. Its main product provides an FDA-cleared non-invasive therapy to patients suffering from chronic depression and Obsessive-Compulsive Disorder with reportedly no side-effects. With FDA regulatory hurdles behind it, GTMS can focus on its strong growth for investors.

The best part? The therapy can be administered during a lunch break, enabling patients to get treated without disrupting their schedules.

Supermarkets

Although a recession may restrict our appetite to invest, it is sure not to interfere with our appetite for food. With households having less disposable income to spend at restaurants and other outside dining experiences, supermarkets are set to benefit with an increase in sales.

Metro (TSX:MRU) provides Canadian-centric investors with a great opportunity to get in before things go south in the markets. Metro operates in both Quebec and Ontario and boasts a wide array of recognizable brands, like Selection and Super C. Its $4.8 billion acquisition of Jean Coutu in May of 2018 also presents investors with a wide range of channels for future operating cash flows. Add in a strong management team, and investors can find themselves with a recession-proof stock to satisfy their hunger for profits.

Cannabis

As the new kids on the block, cannabis stocks have been the subject of great volatility. Investors are still uncertain about what to expect from stocks in this budding industry. However, the bright side is that Canada's progressive legislation regarding cannabis creates a long growth runway for stocks in this area. Not only are they selling recreational products, but medical and non-psychoactive products as well. This allows their cannabis products to be marketed to a wider consumer base.

Aurora Cannabis (TSX:ACB)(NYSE:ACB) is a stock investors need to keep their eyes on if they want to start recession-proofing their portfolios. Although currently unprofitable, Aurora boasts the largest forecast in Canada, peaking at 700,000 kilos of annual potential output. It has also been making strong moves within the industry, which should intrigue investors as well. With the consumption of cannabis set to rise in Canada, getting in early in a fast-growing industry like cannabis can help to de-risk investors' portfolios.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. TSX:ACB (Aurora Cannabis)
3. TSX:MRU (Metro Inc.)

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