



3 Canadian Stocks That Went up on Wall Street's Worst Day!

Description

Global markets had an absolutely terrible week last week, with the Dow plunging 3,600 points from Monday to Friday. On Thursday alone, the Dow plummeted 1,190 points, its largest *net* (not percentage) drop in history. That day, the vast majority of stocks in most industries tumbled on fears that the new coronavirus (COVID-19) would shatter the global economy. Canadian stocks were less affected than their American counterparts; however, the TSX halted trading early and resumed a more dramatic slide on Friday. All told, the TSX just barely evaded a correction last week in a slide that many investors are still reeling from. Nevertheless, some stocks managed to rise on Thursday, Wall Street's worst day since 2011. The following are three Canadian stocks that did just that.

Air Canada

Before going any further, I should clarify that **Air Canada** ([TSX:AC](#))(TSX:AC.B) did *not* have a good week last week. Falling 14.5%, it was one of the stocks hardest hit by the selloff. Further, it's one of the TSX stocks most likely to continue falling if virus-related travel cancellations continue.

However, the stock did rebound on Thursday, rising 10.78% before the TSX closed at 2:00 pm due to a technical error. The reasons for the dramatic rebound aren't immediately clear. Airlines stand to lose money from continued virus-related panic, probably more than other categories of companies that were sold off last week. For example, they could lose revenues from [customers voluntarily deciding not to fly](#) or from government travel restrictions. Just recently, Air Canada had to pull its 737 Max 8 jets off the runways due to Transport Canada closing Canadian airspace to the jet; it's not inconceivable that other regulatory actions could affect travel to virus-impacted countries.

CargoJet

CargoJet is a small cargo jetliner that, like Air Canada, got absolutely crushed in the markets last week. Also like Air Canada, it staged a surprise comeback on Thursday, when it rose 4.55%. CargoJet fared better than Air Canada last week overall, falling only 12.73% to the latter's 14.5%. This may be

because cargo airlines are less likely to be impacted by people cutting out travel compared to passenger airlines. Its Thursday rally may be explained by investors seeing it as oversold, since it, along with other airlines, got absolutely *destroyed* earlier in the week — I mean *more* than the broader markets did.

Dollarama

Dollarama is one stock that fared well for the *entire* week last week, rising 1.15% from its closing price on Monday to its closing price on Friday. It had its best day of the week on Thursday, when it rose 4.3%. Dollarama is one stock that stands to benefit if the coronavirus panic spills over to a broad [recession](#). When consumers get laid off or take pay cuts, one of the first things they do is try to cut back on their spending. Dollar stores have low-priced items in many indispensable categories, including food items at cheaper prices than you'll find at grocery stores. Dollarama specifically has very low-priced items in many categories, which positions it well to thrive in a future recession.

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