2 Stocks You Don’t Want to Miss During a Market Crash

Description

While a financial crisis can scare most investors, it’s an opportunity for a well-prepared investor. With the COVID-19 coronavirus causing mass hysteria, there are signs that the global economy is in sheer peril. The stock market is on the verge of a significant correction.

Are you worried about the devastating effects of a stock market crash on your financial security? There might be a way for you to protect yourself through a recession and emerge financially stronger.

Today I’m going to discuss assets in two industries that you might regret not buying during the ongoing bear market.

Utility giant

No matter what the economy is like, utilities are the most defensive sector for investors to consider. People need to keep the lights and heating on, no matter how bad the financial situation gets. To this end, **Fortis Inc.** (TSX:FTS)(NYSE:FTS) could be an excellent bet for a defensive option.

During the worst financial crisis in recent history, Fortis lost only 15% of its value. The 2008 crisis saw some of the world’s leading financial institutions go belly up. In such a market, losing 15% is a sign of a reliable company. Fortis outperformed the stock market during a historic market meltdown.

The company didn’t just keep going strong through the recession. It continued to increase its dividends through economic cycles come rain or shine. The utility giant has a streak of 47 consecutive dividend increases. It is one of Canada’s most reliable Dividend Aristocrats.

In the event of a market crash, long-term investors can bank on Fortis shares to keep them going strong.

Telecommunication leader

Another fantastic industry to consider during a market crash is the telecommunication sector. **BCE Inc.** (TSX:BCE)(NYSE:BCE) is a tremendous defensive asset to consider for its consistency of outperforming the market through challenging economic situations.

Between February 18 and February 28, 2020, the BCE stock lost almost 10% of its value and has since bounced back. Trading for $62.67 per share at writing, BCE is one of the least affected assets due to the market correction right now. It is already serving as a hedge for its shareholders.

The telecom industry doesn't decline drastically in the event of a market crash. It is an integral part of day-to-day lives. People need to communicate regardless of challenging economic conditions or a global pandemic. The company's Q4 2019 earnings report showed a robust performance in its latest quarter.

The company declared a 5% increase in dividends and has increased its dividend payout twofold in the last decade.

Foolish takeaway

Investing in high-quality dividend-paying stocks that keep increasing payouts is the ideal way to weather the storm and emerge strongly from a recession.

BCE and Fortis are two excellent options to consider if you want to protect your financial status and keep earning passive income through an incoming recession.

CATEGORY

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2. NYSE:FTS (Fortis Inc.)
3. TSX:BCE (BCE Inc.)
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