



## Stock Market Crash: The 1 Industry That's Already on the Rebound

### Description

This year's stock market crash has sent people into a tailspin. The markets have gone haywire as the oil and gas industry reels from Russia and Saudi Arabia's decision to keep pumping out oil, and of course with the COVID-19 pandemic keeping people confined to their homes as much as possible.

Clearly, practically every industry is set to suffer during this time of uncertainty. However, there is already one industry that seems to be on the rebound even amidst this pandemic: grocery stores.

I'm sure you've seen it already, or should I say you may have already been a victim. You go to the grocery store looking for basics like – I don't know – toilet paper! There is not a roll to be found as the panic-stricken public continues to clear out shelves.

CEOs from multiple grocery store chains have had to come out and tell the public that despite the panic, there should *not* be a food shortage. Companies that make toilet paper have also reassured the public that you won't have to install a bidet in your home anytime soon.

As for investors, those who saw the opportunity may have made some quick cash in the last few weeks. That's because already grocery store stocks have rebounded to pre-crash levels! So let's take a look at two options that could go up even further in the weeks to come.

### Loblaw

**Loblaw Companies Ltd.** ([TSX:L](#)) is already a [safe stock on a good day](#), never mind during a stock market crash. The grocery retailer has been expanding its portfolio over the last few years, recently taking in Shoppers Drug Mart to its President's Choice brand.

It's also one of those industries that can continue to do well even in a poor economy, as people need to eat no matter what. While some might not choose to go to the high-end Loblaw stores, they might choose a No Frills instead, a brand that's still under the Loblaw wing.

The stock, meanwhile, rose by leaps and bounds between October 2018 and September 2019. The

stock then slumped by 15% due to the market's poor outlook and the subsequent market crash. However, that's changed in just the last few *days*.

Loblaw stock has now popped back up to pre-crash share prices, where the stock trades at writing at about \$71.50. That's an increase of 20% between March 12 and March 17. What caused it?

The company reassuring customers that while Loblaw is taking extra precautions to protect against COVID-19, prices will *not* go up despite the large demand for products.

"First and foremost. Do not worry. We are not running out of food or essential supplies," CEO Galen Weston said. "We will not raise a single price on any item to take advantage of COVID-19."

## Metro

Similar to Loblaw, **Metro Inc.** ([TSX:MRU](#)) is another company benefitting while others bomb during today's stock market crash. And similar to Loblaw, the grocery chain is already a strong stock, with more than 900 locations across the country and a solid history of [healthy profitability](#).

During the same period between October 2018 and September 2019, Metro also saw a boost in stock price, in this case by 40%. It then also fell after September 2019, but here's the difference: it didn't fall by much. Loblaw, on the other hand, fell by about 15% and Metro fell by 10%.

While it eventually fell to around \$50 per share, between March 12 and March 17, the stock saw a bump back to pre-crash prices of around \$57 per share as of writing.

Another great similarity to Loblaw is that each stock offers a solid dividend yield, with Loblaw dishing out 1.9% and Metro 1.49% as of writing.

That means that while you're seeing your stocks actually rise during this turbulent time, you'll also see some cash coming in each and every quarter. That's enough to say, "Stock market crash? *What* stock market crash?"

## CATEGORY

1. Coronavirus
2. Investing

## TICKERS GLOBAL

1. TSX:L (Loblaw Companies Limited)
2. TSX:MRU (Metro Inc.)

## PARTNER-FEEDS

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