Coronavirus Market Crash: Where to Invest $10,000 Without Losing Your Shirt

### Description

The coronavirus market crash is getting scarier by the day. But Foolish investors know that it can literally pay dividends to hold one's nose and buy stocks at a time that some people think it'd be foolish to do so. The TSX Index is a falling knife right now, with the index down 35% from its high thanks to the one-two punch of lower oil and a global pandemic.



A tonne of businesses within affected industries are scrambling amid the carnage. Some poorly capitalized firms could go under after all this (like heavily indebted energy firms). But there are opportunities amid the wreckage, and they could be closer to a bottom than you'd think.

## Coronavirus market crash: Don't try to be a hero just yet

There's no telling how much worse the coronavirus market crash will get.

But what I can tell you is that there are ample opportunities to pick up stocks at a discount, and they don't require you to pick up loose change that's been left in front of a steamroller. You don't need to buy stocks within the most vulnerable industries like energy or travel to get a bargain at these levels. You can steer clear of the most-affected names and bag bargains that have been undeservedly (and temporarily) thrown in the penalty box.

Consider **Alimentation Couche-Tard** (TSX:ATD.B) and **Dollarama** (TSX:DOL), two "boring" retailers that could be among the first of stocks to bottom.

## Couche-Tard

As a global convenience store operator, Couche-Tard is doing its part to meet the demand for necessities in this pandemic. People are trying to avoid crowds, and one could argue that it's easier to maintain social distance by buying your supplies from the local convenience store than the grocery store.

Not only is Couche-Tard a great way to keep your portfolio's head above water during a coronavirus market crash, but it's also a great way to keep your growth alive as we enter a recession. The company has grown by leaps and bounds over the years thanks to its proven M&A-driven model.

It's been a while since Couche made a big splash. But as the economy continues to deteriorate, we could see the company get more bang for its buck as it goes on the hunt for its next major deal, potentially in the Australian or Asian market.

The stock currently trades at 13.3 times trailing earnings, which is an insanely cheap price to pay for a company that's sustainably grown its top and bottom line by double digits.

## Dollarama

Like Couche, Dollarama is a retailer that you could define as having "defensive growth." It's what you'll want to own as the coronavirus market crash drags on. Dollarama has fallen on hard times well before the pandemic started. The company was a victim of its past successes, as investors feared that the name was transforming from a growth darling to a stalwart.

While there are still plenty of headwinds that lie ahead — most notably, rising competition in the Canadian discount retail space and a plunging loonie — I am a fan of the valuation given the fact that we're on the verge of a recession.



When times get tough, Dollarama can shine, as it offers a nearly unrivalled value proposition for Canadians. The loonie may be plunging, but it can still go a long way at Dollarama. While Dollarama may take a further margin hit as a result of unfavourable currency moves, I'd argue that a potential rise in sales is more than enough to allow the defensive growth company to outperform most other stocks in the market during a pronounced downturn.

At 14.4 times trailing earnings, Dollarama is a stock you can buy amid the crash and not lose sleep over.

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**TICKERS GLOBAL**

1. TSX:DOL (Dollarama Inc.)

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