



## The 1 Rule I've Learned During This Stock Market Crash

### Description

There are a number of “rules” being thrown at investors during this stock market crash. Unfortunately, depending where you look, a lot of these rules seem to contradict one another. Where one analyst says buy now with stocks so low, another says you should be selling to hold onto cash, while still another recommends staying put and not doing anything until the markets rebound.

While there is merit to all of these rules, lately I've been leaning more towards buying while stocks are low. Don't get me wrong, I'm also keeping the other points in mind. I have cash on hand in an emergency and am [not selling](#) any stocks at the moment — especially my long-term investments, which I'm hoping will see me through decades and not just the next year.

So, you'd think I'd be waiting around for the lowest possible price during a stock market crash, right? Well, not any more.

It's completely true that stocks could drop even further. In fact, in many cases they have day after day. But there are some still that once the markets rebound, these stocks could fire back up. Furthermore, there are stocks that, frankly, haven't had much of a dip at all!

Take **Franco-Nevada** ([TSX:FNV](#))([NYSE:FNV](#)). Looking at the last month, you'd think Franco-Nevada could be headed towards even more turbulence during a stock market crash. The stock rounded off February at all-time highs in the \$160 range, only to fall by more than 25% to \$119 per share by mid-March. Then suddenly, the stock shot back up to around \$150 per share and has since stabilized. For now, at least.

But let's zoom out a bit and take a good look at Franco-Nevada. There are two things going for this company right now. First of all, it's a “gold-focused” company. This means it owns a portfolio of companies in various stages of gold mining, from exploration to production. It has properties across several countries and mainly manages and acquires royalties to extend its portfolio. At a time when many investors are getting rid of stocks in favour of gold, it's a good time to be Franco-Nevada.

The second bonus is that Franco-Nevada is a [streaming business](#). As I outlined above, it doesn't actually mine gold but acquires businesses that do. That way, it minimizes the risks associated with

mining for gold and reaps the benefits of buying gold from its royalties at a discount price. That minimized risk for the company also means a minimized risk for investors.

If we look at how Franco-Nevada has done in the past decade, things look very different. The company has been on a steady upward trajectory with only minimal dips, recovering each time within a few months, even during the 2008 stock market crash. Now shouldn't be seen as any different. If you had purchased \$10,000 worth of Franco-Nevada stock back in March 2010, today that would be worth a whopping \$55,923.46 — an increase of 459% as of writing.

So, what have I learned from the case of Franco-Nevada? Don't wait for the bottom. For stocks that have minimized risks, a long history of steady growth, and a future that looks stable, there isn't a reason to wait around. If you have the cash on hand, investing in a stock like Franco-Nevada for long-term growth is a great decision no matter when you make it. Even during a stock market crash.

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#### **Author**

alegatewolfe

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