2 Top Stocks to Buy in a Pandemic

Description

The coronavirus, which causes the infectious disease known as COVID-19, is frightening. It's a risk to our health and our finances. And given bonds have crumbled alongside almost everything in this market like a paper bag, there are few places to hide.

It's understandable if you're still in a panic. The headlines continue to be terrifying, and the market is plunging with no end in sight (the **TSX Index** is currently down 38% from the top). But if you're fortunate enough to have cash on the sidelines, now is as good a time as any to put money to work in the following pandemic-resilient stocks.

The following two stocks are not only attractively valued after the recent market implosion, but I think they can also limit your downside if worse comes to worst. We've heard the word "depression" being used a lot lately. If we're in for an L-shaped scenario after the crash, and not the V- or U-shaped recovery, investors may wish to pick their spots carefully and nibble on the way down, rather than trying to get a front-row seat to a recovery that may span years and not months.

If you're in the belief that the pandemic could last longer than just a few months and that a depression is a possibility, consider the following:

Jamieson Wellness

In times of pandemic and severe financial distress, wellness is on the minds of almost everybody. **Jamieson Wellness** (TSX:JWEL) has been one of the most resilient stocks on the TSX amid the coronavirus crash, with shares down just 13% from all-time highs.

The vitamin, minerals, and supplements (VMS) maker are not only slated to enjoy upped demand as everything flies off the shelves at your local grocery mart, but it's also slated to enjoy steady growing demand for its products over the long haul thanks to a slew of compelling new products and an ambitious expansion plan that could pay massive dividends for years to come.

Jamieson doesn't have a magic pill that can cure coronavirus, but it sure seems like it given the limited damage that the stock has endured over the past month. When everybody is trying to amp up their immune systems to fight a virus, Jamieson's products are going to sell like hotcakes.

Regardless, wellness isn't just a trend that's going to stick around during times of pandemic. Jamieson's riding a long-lived secular trend, and as Baby Boomers continue ageing, sales are going to rise steadily.

Fortis

Fortis (TSX:FTS)(NYSE:FTS) tumbled as long as 10% on Monday alongside the broader markets which continue to crash on the coronavirus. The massive collapse in shares of Fortis was not only unwarranted; it shows just how "broken" the market is and how ridiculous Mr. Market has become with his day-to-day pricing practices.

Fortis is one of the least-correlated equities out there. It has highly regulated cash flow streams and can continue hiking dividends during severe economic downturns. The fact that Fortis fell 10% in a day reflects the severity of the lack of cash that many investors appear to be suffering from. If a fully invested investor suddenly loses their job, they have no other option but to liquidate stocks, even those that don't deserve to be thrown out, like Fortis.

The fully invested still need to pay their rent, and Fortis, a stock that's fallen far less than the broader indices, may be seen as a better sell compared to the likes of a name that's already lost half of its value. Nobody wants to miss a significant recovery, but ironically, the excessive selling of Fortis stock has produced an opportunity for risk-off investors to get a now oversold bond proxy that could bounce back a lot sooner than some of the more battered plays out there.

Stay hungry. Stay Foolish. And, most importantly, stay safe.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. TSX:FTS (Fortis Inc.)
3. TSX:JWEL (Jamieson Wellness Inc.)

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