



Market Crash 2020: This Timeless Kevin O'Leary Investing Tip Can Help

Description

Although the public doesn't have access to his investment results, it's pretty clear Kevin O'Leary is one of the most successful investors out there.

O'Leary has become a household name throughout North America for his no-nonsense style and prudent investing choices. First he appeared on Canada's *Business News Network* as the investor at large before leveraging that into a more prominent gig. Next, he was one of the original dragons on the hit CBC show *Dragon's Den*. O'Leary eventually left *Dragon's Den* to concentrate on the American version of the show, *Shark Tank*.

Kevin O'Leary has an interesting investing style that usually translates into missing deals on both *Shark Tank* and when he was on *Dragon's Den*. O'Leary would stick to his guns and insist on not paying too much for an investment. That's right; O'Leary is a [value investor](#) in businesses when the other sharks only cared about growth.

Another of Kevin O'Leary's investment rules is something he learned from his mother. She told him to never spend the principal, only the interest. This translated into an impressive portfolio upon her death, and it forever made an impression on her son. O'Leary loves dividends and will simply refuse to invest in stocks that don't pay a healthy yield.

In today's volatile world, this is great advice. If investors focus on the yield, they can forget about day-to-day movements in the stock market. We know stocks will eventually recover. We just don't know when. Taking the focus away from price movements will ensure investors don't get spooked and sell during periods of bad news.

Let's take a closer look at a couple of Canadian stocks Kevin O'Leary would likely be interested in owning, assuming he doesn't already have a position in both.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is a perfect Kevin O'Leary stock. It's conservative, well-run, and pays a

generous dividend. And thanks to the recent market turmoil, the yield has been supercharged for investors who are just entering the stock.

Social distancing is fantastic for the telecom sector. Nobody is downgrading to a slower internet package or cutting cable when they're forced to stay at home. If anything, today's situation reminds people how important telecom services really are.

It's not all good news, of course. BCE's sports teams — it has an ownership stake in the Toronto Maple Leafs, Toronto Raptors, and Montreal Canadiens, among others — won't be playing for the foreseeable future. And weakness in consumer spending will mean some folks won't be able to pay their bills. But these are minor issues, and the decrease in the stock price has already priced these issues in.

BCE currently yields a hair over 7% — a [fantastic payout](#) in today's low interest rate world.

Rogers Sugar

Another investment Kevin O'Leary would likely be interested in is Canadian sweetener company **Rogers Sugar** ([TSX:RSI](#)).

You likely know Rogers Sugar from supermarket shelves, but the company has more going on behind the scenes. It provides sweeteners for commercial food production, and it has a high-fructose corn syrup division as well. Finally, the company has expanded into maple syrup, although this new division has stumbled a bit.

Grocery stores across Canada are experiencing a run on sugar, as many folks load up on the necessities. Sweetened packaged goods are flying off shelves too. This should translate into impressive numbers for the stock over the next couple of quarters, but shares have fallen some 20% over the last month. This is a great buying opportunity.

Perhaps the best part of a Rogers Sugar investment is the company's dividend. The current yield is an eye-popping 9.3%.

The bottom line on Kevin O'Leary investments

Kevin O'Leary is a polarizing figure. Many people don't like his blunt attitude or his investing style.

But I think O'Leary's way of investing is an excellent way to look at the world, especially during today's tumultuous times. By focusing on dividends, investors can ignore all the noise that likely won't matter 12 or 24 months from now.

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1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:RSI (Rogers Sugar Inc.)

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nelsonpsmith

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