



3 Resilient Stocks That Could Recover Quickly From a Market Crash

Description

The inevitable market crash has finally happened. Experts have been telling us about it for the last couple of years. The COVID-19 outbreak has finally brought it front and centre.

For a long-term investor with cash to invest, the market crash might be a blessing in disguise. But it is desperate times for those who are looking for short-term gains.

All stocks don't respond in the same manner to a [market crash](#). Some plunge deeper than the others, and some recover quicker. Here are some stocks that might recover faster than others.

Emera Inc.

Emera Inc. ([TSX:EMA](#)) is an energy company that covers many utility sectors. It has heavily invested in the generation, transmission, and distribution of electricity across North America. Moreover, it is also working in oil and gas distribution. Electricity is one of the most indispensable utilities. Whether it is a recession or oil market crash, the demand for electricity doesn't drop by much.

This continuous and unconditional electricity consumption gives Emera an edge over other companies that are reeling from the current crash. Emera is down over 16% this month following the market crash. Given the stabilized operations and expansion plans, particularly in renewable energy, Emera stock might not just recover but also register some growth by the end of the year.

Kirkland Lake Gold

Kirkland Lake Gold (TSX:KL)(NYSE:KL) is one of the largest Canadian [mining](#) companies, owning several gold mines in Canada and Australia. A mining company seems a bit odd as an option for post-crash buying. However, there is a reason why I think KL stock might recover better than many other stocks.

It is a long-established trend that when interest rates go down, gold prices should go up. The U.S. and

Canadian governments have already announced cuts to interest rates, which could get deeper after the COVID-19 thrashing. During such trying financial times, people flock towards safe, tangible, and time-tested commodities like gold.

This creates a perfect scenario for gold mining companies. Before the crash and its lead up, Kirkland stock was performing exceptionally well on the TSX. The stock has witnessed a staggering 316% growth in the last three years. The company was also gradually increasing its dividend yield before the crash. In short, there is a strong chance that KL stock may recover from the ongoing downtrend soon.

Dollarama

Dollarama is the second-largest retail chain in Canada that primarily sells items for under \$4. The chain has over 1,000 stores with a retail footprint in every province of the country. This extensive brick-and-mortar presence with retail operations that are based on affordable goods gives Dollarama an outlook similar to that of a utility company.

Even if the full-blown recession unfolds for a long period of time, people will continue to buy cheap retail items, and Dollarama will cater to them. This is the reason why I think Dollarama might also recover quickly than many other stocks.

Hopeful for recovery

Every stock performance plays out with different dynamics after a market crash. Some stock can recover quickly from a crash regardless of past performance. The energy, mining, and retail stocks that I have discussed here may recover at a better pace than many other similar stock options.

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