The Coronavirus Market Crash: Where to Invest $10,000 Right Now

Description

The stocks market is showing a lot of weakness of late, and now could be a great time for investors to scoop up some great deals out there. Whether you're looking for dividends or growth, there are options available to you that can help you grow your portfolio over the years. Here are two stocks that look to be good places to invest $10,000 in right now, even amid the market crash.

Telus (TSX:T)(NYSE:TU) has always been a reliable dividend stock for investors, and that hasn't changed due to the coronavirus pandemic. The telecom provider's services are likely in high demand, as users are stuck at home, looking for ways to keep themselves entertained. In that sense, Telus stock may be a bit more immune to this market crash than other stocks that don't provide essential day-to-day services to their customers.

Shares of Telus, however, were still down more than 11% through the first three months of 2020. But that's still better than the 24% loss that the TSX incurred during that time. Telus stock has averaged a beta of less than 0.7 over the past five years, meaning that it's less volatile than the overall market and can make for a more stable investment.

But with the drop in price, investors are now earning an annual dividend yield of 5.2%. That's a solid payout, and one that the company has grown and will likely continue increasing over the years. And that's why buying shares of Telus could be a great idea amid this market crash. The stock is trading right around 15 times its earnings and, given its stability, it may be one of the better investments out there, providing both value and dividends to investors.

Dollarama (TSX:DOL) is another good stock for investors to consider. It's down a bit more than Telus — about 13% through January until the end of March. But the popular dollar store chain remains open during the coronavirus pandemic. It's a convenient option for consumers who are looking to stock up on day-to-day essentials. And its lineups may be shorter than those at a big-box retailer or grocery store.

Dollarama's sales growth has slowed of late. In its most recent quarterly results, sales were flat from the previous year. Its numbers were much stronger a few years ago when Dollarama was enjoying double-digit growth

. But the pandemic could be an opportunity for the company to benefit from consumers buying in larger quantities and having fewer places to shop at; it could lead to more growth. And with the economy slowing down and coming to a grinding halt in many areas, consumers are going to be even more price conscious in the near future. That’s why shopping at Dollarama stores may be on the rise, even once the pandemic is over.

Overall, Dollarama is not a risky bet for investors, as the stock trades at 22 times earnings. That’s not a big premium for a growth stock. It also offers investors a modest dividend of $0.044, which yields about 0.5% annually. However, if you’re investing in Dollarama you’re likely going to do so for the long-term growth potential that it has.

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2. Dividend Stocks
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2. TSX:DOL (Dollarama Inc.)
3. TSX:T (TELUS)

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