



## Market Crash 2020: Top 3 ETFs to Buy

### Description

Futures were down sharply before trading opened on April 13. Indices have partly recovered from the market crash in March, but investors are not out of the woods yet. Jobless numbers have skyrocketed due to the economic shutdowns in Canada and the United States. As it stands today, there is no telling when the lockdowns will wind down.

Today, I want to look at three ETFs that are worth considering in this choppy market. If the stock market enters another stretch of turbulence, investors should put themselves in a good position to weather it. Let's dive in.

### Market crash: Pick a low-volatility ETF

The volatility index, or VIX, saw its price erupt from mid-February to the middle of March. Its price has retreated from its near triple-digit highs, but more volatility may be on the horizon. Investors may want to guard against another market crash by investing in the **BMO Low Volatility Canadian Equity ETF**.

This ETF seeks exposure to the performance of a portfolio of Canadian equities that have lower sensitivity to market movements with the potential for long-term capital appreciation. Its portfolio allocation is heavily weighted in financials, utilities, and consumer staples. Some of its top holdings include the Nova Scotia-based utility **Emera**, **RioCan REIT**, **Waste Connections**, and **Hydro One**.

Shares of this ETF climbed 21% in 2019 and have dropped 11% in 2020 as of close on April 10.

### Defensive ETF

Late in March, I'd discussed why investors may want to guard against another market crash by investing in [defensive stocks](#). Consumer staples are some of the most reliable targets in this category. This holds especially true in the current environment. Grocery retailers and big-box stores have been tagged as essential services.

Investors who want exposure to consumer staples should look at the **iShares S&P/TSX Capped Consumer Staples Index ETF**. This ETF seeks long-term capital growth by replicating the performance of the S&P/TSX Capped Consumer Staples Index. It holds nearly 80% of its weighting in food retail. Some of its top holdings include the Quebec-based grocery retailer **Metro**, **Loblaws**, and the dairy giant **Saputo**.

The ETF increased 12% in 2019 and has only dropped 3% so far in 2020.

## Precious metals ETF

Back in late February, I'd discussed why a market crash and fears surrounding COVID-19 could lead to a [surge for gold](#). Interest in the safe haven has boomed in late March and early April. The yellow metal soared to a seven-and-a-half-year high and above the \$1,750 mark on April 9.

Gold had retreated below this number at the time of this writing, but it is riding promising momentum right now. Those who want to broadly track gold-linked companies should consider the **BMO Equal Weight Global Gold ETF**. The ETF seeks to replicate the performance of an equal weighted diversified global gold mining companies index. Some of its top holdings include Canadian gold giants like **Yamana Gold**, **IAMGold**, and **B2Gold**. Its shares increased 50% in 2019. The ETF has dropped 5.5% in 2020, but it spiked 8.62% on April 10. Investors are hungry for a safe haven in 2020, which means that gold still has room to run.

### CATEGORY

1. Investing

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

### Category

1. Investing

### Date

2025/09/10

### Date Created

2020/04/13

### Author

aocallaghan

default watermark