Oil Price Crash: 6 TSX Stocks That Defied the Selloff

Description

Monday was a highly unusual time for North American markets. And by *unusual*, I mean terrible.

Consider the fact that oil started the year trading at US$63 a barrel. Nobody a few months ago that oil would go to zero. That in itself was an historical first. But dipping to negative US$54 was deeply portentous.

To put that in perspective, a roll of toilet paper cost more than a barrel of oil as of Monday. The ramifications are endless, but one thing is clear: It's finally time for investors to get out of oil stocks.

These Canadian stocks have stayed positive

Consumer staples remain a strong play. Investors have finally come around to the thesis for buying **Nutrien**. Meanwhile, **Loblaw** continues to hold down the fort.

Both stocks are powerful and defensive additions to an income portfolio. Their dividends are fed by wide-moat business operations in the world's most essential industry. Loblaw is especially strong, given its blend of companies.

Two standout tech stocks have been not only resilient, but packed with upside of late: **Shopify** and **Constellation Software**. The latter stock was up 4.6% Monday, ably defying an intensely frothy market. Shopify has been a stalwart name throughout the market crash. Its flexible ecommerce platform makes it the ultimate quarantine stock.

Safe haven assets have been performing strongly as well. Gold stocks have been a paragon of defensiveness during the market crash. Names such as **Barrick Gold** have been keeping the bear market at bay while also paying dividends.

Gold stocks are especially sturdy additions to a dividend portfolio in the current market. This performance is likely to extend throughout the rest of the year.

Energy and finance are a mixed bag

Scotiabank beat its Big Five peers this week as an oasis of green in a desert of red. This is a name to buy and hold if only for its exposure to emerging markets Pacific Alliance. But forget about buying once. In this highly volatile market, investors should reduce the risk of capital loss by splitting positions into between four and six purchases, which will allow investors to buy the dips and build positions.

Energy investors have some clear value opportunities right now. But some names just aren't worth the stress. **Suncor Energy** has become a name to avoid, even if it does offer a huge 8.7% dividend yield. Insurance has also been revealed as an unlikely villain during the market crash.

Names like **Sun Life Financial** have seen investors staying away in droves. Again, these are names to trim on strength from a portfolio.

The bottom line

Scotiabank is an intriguing play right now. Its Big Five status paired with emerging market exposure offers a degree of defensiveness, diversification, and growth. Tech is becoming a market crash hero, given its potential for growth and built-in social distancing business models.

Safety is also key right now, with gold and consumer staples leading the way in an intensely volatile market.

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