



## The “Big Short” Guy Says We Should End the Economic Shutdown

### Description

Michael Burry shot to fame when he made a successful bet against mortgage securities ahead of the market crash in 2008. He was played by Christian Bale in the movie, “The Big Short.” He has shared his thoughts regarding the [current economic shutdown](#) being used to control the COVID-19 pandemic. He emailed Bloomberg News to say, “Universal stay-at-home is the most devastating economic force in modern history, and it is man-made. It very suddenly reverses the gains of underprivileged groups, kills and creates drug addicts, beats and terrorizes women and children in violent now-jobless households, and more. It bleeds deep anguish and suicide.”

### Avoiding further disaster

At writing, the [COVID-19 pandemic](#) tally across the world keeps rising. The number of people infected has crossed 2.5 million globally and resulted in more than 600,000 deaths. There is some good news, in that 331,132 people have recovered from the disease so far.

I frankly disagree with Michael Burry. Letting things move forward without checks and balances could spell further disaster. The U.S. has the highest number of recorded cases, and the second-highest number of fatalities, with 14,802 deaths due to COVID-19 complications at writing.

However, the economy is in deep distress due to the economic shutdown. With the markets seemingly crumbling, you might be wondering what you can do as an investor to protect your capital. Let’s take a closer look at the situation and a core TSX stock that could help you ride the economic shutdown.

### Core TSX stock

**Telus Corp.** ([TSX:T](#))([NYSE:TU](#)) is one of the top stocks on the **TSX**. It belongs to the telecom sector, and it is one of the most reliable companies. Telecom stocks are a fantastic option for long-term investments. Stocks like Telus are excellent investments during a recession due to the crucial nature of the industry.

Telus is a significant cash cow. It generates massive income, and it does not reinvest in the business. Instead, Telus distributes it to shareholders, and that is what makes it one of the top TSX stocks among Canadian Dividend Aristocrats.

The business has returned over \$16 billion to investors in the past 16 years. At writing, the stock is trading for \$22.54 per share. Telus' share price is down 18.57% from its February 2020 peak, but it is faring better than the overall market. It is attractively priced for a stock that can be a high-quality investment in your portfolio for decades to come.

Telus might take further hits due to reduced income as a result of the recession. Still, it provides an essential service to its customers, and it will continue generating revenue. Its dividend yield is at 5.17% at writing – inflated due to the discounted share price. It is a stock to consider adding to your portfolio for its potential to weather the recession and its juicy dividend yield.

## Foolish takeaway

Whenever the economic shutdown ends, there is still a need for investors to park their capital in assets that can help them ride the wave better. I think a stock like Telus could be the way to go.

According to Burry's Twitter, he believes that "...saving the economy means life, not murder." I believe that as devastating as the shutdown is, it can save us from the more extreme peril of not taking proper action against the disease.

This Fool suggests hunkering down and holding on instead of giving in to the opinions of investors feeling their losses a little too hard at this time.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

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