



This Key Strategy — and These 3 Stocks — Will Save Your Portfolio

Description

For those worried that Armageddon is officially upon us, I've got one strategy — and three stocks — that could change your perspective and get you back into the game.

A winning strategy

The strategy is simple. If you're worried about the future, take a look around the main street near your house and see which businesses are there. If you believe the Tim Hortons or Burger King will be there post-coronavirus, then **Restaurant Brands Inc.** ([TSX:QSR](#))([NYSE:QSR](#)) could be a safe bet.

How about banks? What about those power lines and your local utilities companies?

This idea is so simple, yet so powerful. Given that I already gave away my first of the three stocks, I may as well start there.

Restaurant Brands

Pick this stock if you believe that everyone won't suddenly go vegan tomorrow (and even if they do, there's the Impossible Whopper). Restaurant Brands is a [great, safe pick](#) for any portfolio for those who believe folks' burger- eating and coffee-drinking habits aren't likely to change.

In traditional recessions, it's common to see sales of what economists refer to as "inferior goods" (those that folks buy more of in tough times) go through the roof. In tough times, consumers tend to choose lower-cost options for meals (fast food) or hoard toilet paper (for some reason).

This obviously isn't a traditional recession by any means. We could therefore see more potential downside if investors believe dine-in sales at many locations won't open up for quite some time. As with most businesses that have physical components, timing when to make an entry or first position is key.

Restaurant Brands is a great, safe long-term hold. Investors should consider nibbling on the way down (if there is more downside).

Scotiabank

There's a lot to like about large Canadian banks right now. In a time where no investment seems safe, buying a stock like **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) is a great way to go. Investors can benefit from the company's substantial yield while waiting out the storm.

Scotiabank certainly has its problems. The company had to restructure some of its investments in Central and South America (particularly Chile). However, this happens to be one of the key selling points for Scotiabank, in my view: global exposure.

Scotiabank is a company that provides domestic and international exposure along with a very hefty dividend and a superior growth profile than its peers from an emerging market perspective.

Fortis

If you still think you'll need to heat your house next winter, in many parts of Canada, your only choice happens to be **Fortis Inc.** ([TSX:FTS](#))([NYSE:FTS](#)) The market power and sheer dominance of Fortis' business model is reflected in the company's stock price, which investors will note has not moved down to a similar degree to broader markets.

The safety and long-term appeal of Fortis as a defensive income play have positioned this company uniquely to vastly outperform its peers in 2020 and beyond.

Fortis has been [my top pick](#) for years now, for this specific reason. If you're betting on a long recession, you might as well get cozy by the fire with Fortis!

Stay Foolish, my friends.

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4. Investing

POST TAG

1. bank
2. canada
3. coronavirus
4. energy
5. recession

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:QSR (Restaurant Brands International Inc.)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:FTS (Fortis Inc.)
6. TSX:QSR (Restaurant Brands International Inc.)

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