



TSX Stocks: Is This the Start of the Second Market Crash?

Description

TSX stocks have seen a highly volatile last couple of months. First, as coronavirus hit, stocks sold off rapidly — some would say almost *too* fast.

Then, only a month after the crash started, many stocks rebounded. Since that bottom, we've seen a major rally in the last few months.

But after reaching a three-month high on Monday, the TSX has now seen three straight days of losses.

And after Thursday's major sell-off, with the TSX losing over 4%, this may seem like it could be the start of another market crash.

The truth of the matter is that nobody knows when a market crash will happen. So it's up to investors to be prepared for a market crash at any time.

Here are two stocks you may want to consider adding to your portfolio to ensure it's as stable as can be when the market inevitably crashes again.

TSX gold stock

Gold is a great [investment to make today](#). Not only will it reap the benefits of investors looking for a safe-haven investment, but the economic environment is also prime for gold prices to appreciate.

This gives stocks like **Equinox Gold** ([TSX:EQX](#)) huge potential for growth in the short term. Equinox is already a high-growth gold stock.

The company has been ramping up production each year and making strategic acquisitions. Equinox now targets annual gold production of one million ounces by 2023.

This massive production increase is coming during one of the best environments for gold, giving Equinox investors a major opportunity to grow their capital.

Also, Equinox is now considered an intermediate gold producer rather than a junior, which it previously was. This is significant because investors view intermediate miners with more diversification as lower risk investments. These stocks therefore tend to get higher valuations from the market.

These catalysts all point to major growth for Equinox this year. So if you're looking for a high-quality stock to shore up your portfolio and even grow in this environment, Equinox may be the best stock on the TSX.

TSX utility

Another option for investors to [protect your portfolio](#) is through utility stocks such as **Fortis Inc** ([TSX:FTS](#))([NYSE:FTS](#)).

Utilities are a great investment today for several reasons. First, utilities are traditionally very low volatility investments, which make them ideal investments during a market crash.

Second, the businesses are also highly resilient, and the demand for their services very inelastic, which makes them great businesses to own through a recession.

Finally, because utilities are considered a bond proxy, and interest rates are likely staying near zero for at least a few years, utilities should continue to offer some of the best options for income investors.

Fortis is one of the best utilities with operations in numerous jurisdictions across North America. This diversification, coupled with its high degree of regulated revenue, makes Fortis a very low-risk investment.

The company has even committed to going forward with its five-year, \$19 billion capital plan. This will bring considerable growth to shareholders and allow Fortis to continue to increase the dividend — something it's done for nearly 50 consecutive years.

If you are considering buying TSX stocks to prepare for a market crash, I'd recommend Fortis be at the top of that list.

Bottom line

There is no telling when the market will crash. This puts the onus on investors to select a portfolio of high-quality TSX stocks that will remain robust through market crashes and recessions.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. TSX:EQX (Equinox Gold Corp.)
3. TSX:FTS (Fortis Inc.)

PARTNER-FEEDS

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