



## 2 Stocks That Will Win No Matter What Happens With COVID-19

### Description

Uncertainty is the one thing you can be sure of when it comes to the COVID-19 pandemic and its effects on the stock market. Right now, people are not sure what will happen in the coming months with the novel coronavirus. There are chances that there will be a second wave of infections in the fall. Nobody knows how bad the situation can become if that happens.

I strongly feel that now is the time to shore up with defensive stocks in your portfolio in case a second wave indeed hits. While it is impossible to time the market and predict a market crash, most investors expect another to happen soon.

I will discuss two assets you should consider adding to your investment portfolio if we witness [another major correction](#). Drop your high-risk stocks and take a better look at the likes of **Hydro One** ([TSX:H](#)) and **BCE** ([TSX:BCE](#))([NYSE:BCE](#)).

### Utility company

Volatility rules the day when uncertainty hits the market. We might see violent downturns and upswings in the market if the second wave of infections hits, and that is the time we need boring and stable stocks in our portfolios.

I think utilities are fantastic stocks to own in a volatile market. The demand for utilities does not change, no matter how bad the economy gets. The regulated nature of revenue for utility companies makes those companies ideal buy-and-hold assets for times like these.

Hydro One is one such utility stock that you should consider adding to your investment portfolio for its defensive properties. The company owns electrical transmission and distribution assets throughout Ontario. It is a business that provides investors with a defensive asset that can also grow substantially. As Ontario continues to grow, so will the demand for Hydro One's services.

The essential nature of its business can allow Hydro One to keep meeting its goals for growth without significant delays from COVID-19. At writing, the stock is trading for \$25.94 per share, and it sports a

juicy 3.91% dividend yield.

## Essential telecom

Another essential industry is telecommunications, and I think BCE is the ideal stock to represent the sector. While the pandemic has had a slight impact on the industry, it will primarily be business as usual for companies like BCE.

The impact on its earnings led to BCE's management withdrawing its guidance for the year. However, long-term investors know better than to judge the company by its short-term earnings. BCE is among the few companies that are sticking to its growth investments. The most significant telecom company in the country shows no signs of slowing down.

People will need to communicate and access the internet. BCE is the largest telecom company in the country to provide Canadians this vital service. Its introduction of 5G also ensures substantial growth for the company moving forward.

At writing, the stock is trading for \$56.40 per share, and it offers a juicy 5.90% dividend yield.

## Foolish takeaway

The level of uncertainty continues to remain high. While it is probable, nobody is sure how adverse the impact of a second wave would be on the markets, if it does come. It might be worth reducing your positions in [high-risk stocks](#) and buying shares of defensive companies to prepare for another market crash.

I think stocks like BCE and Hydro One are defensive assets that you can count on through times of volatility and recession.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:H (Hydro One Limited)

### PARTNER-FEEDS

1. Business Insider
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