3 Stocks I'm Buying Before the Stock Market Crashes Again

Description

The Canadian stock market made a remarkable rebound in the last four months after bottoming out in March. While the recovery was primarily due to government support, chances are pretty high that the equity market could crash again before the pandemic is gone.

One could infer from the weak economic indicators, high unemployment rate, and continued increase in coronavirus infections that another stock market crash is very near. So, before the stock market crashes again, adding these three stocks in your portfolio could help protect the downside risk and generate healthy growth and income.

Kinross Gold

Shares of **Kinross Gold** (TSX:K)(NYSE:KGC) are on a tear, thanks to the surge in the yellow metal to a record high. Kinross Gold stock is up nearly 91% year to date and could continue to surge, as gold prices could continue to rise in value given the uncertain economic outlook and a fear of recession.

Kinross Gold continues to deliver record production and throughput rates, thanks to the increased output at its Tasiast mine. With strong production, increased demand, and higher price realization, Kinross Gold could generate stellar returns for its investors, besides protecting the downside risk amid a stock market crash.

Moreover, the low net-debt-to-EBITDA, strong liquidity, and no near-term debt maturities further boost my confidence in Kinross Gold stock.

Loblaw

Shares of **Loblaw** (TSX:L) are a must-have to protect your portfolio against wild market swings. Canada's largest food retailer continues to witness steady demand, which makes it immune to economic downturns or large market swings.

Loblaw's extensive network of food and drug stores and multiple store formats attracts all demographics, making it a preferred shopping destination for everyday essentials. The retailer generates consistent growth in traffic and ticket size, which drives its comparable sales. Meanwhile, its growing e-commerce penetration should help drive traffic in the coming quarters, as customers nowadays prefer to order online.

Its online grocery delivery and click-and-collect services augur well for growth. Loblaw has kept the same prices for both online and stores. Its online grocery volumes remain very high, and the company is slowly scaling its e-commerce capacity to meet the growing demand.

Loblaw's defensive business and negative beta (five-year monthly) of 0.1 suggest that its stock is among the safest investment option on the TSX.

Algonquin Power & Utilities

Investing in utility stocks could not only help in protecting the downside but generate steady dividend income, even if the market crashes again. **Algonquin Power & Utilities** (TSX:AQN)(NYSE:AQN) is a top investment option in the utility space that investors should keep an eye on.

The company's diversified mix of utility and renewable assets helps it to generate predictable cash flows and supports its payouts. Moreover, the stock offers an attractive dividend yield of 4.8%.

Algonquin Power & Utilities is a safe bet that should generate a steady income for its investors. Moreover, you can benefit from capital appreciation in the long run.

Bottom line

These three TSX stocks have a recession-resilient business that continues to grow. Thus, an economic downturn or stock market crash is unlikely to have much of an impact on these stocks.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:KGC (Kinross Gold Corporation)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:K (Kinross Gold Corporation)
5. TSX:L (Loblaw Companies Limited)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Metals and Mining Stocks

Date
2025/08/24
Date Created
2020/07/30
Author
snahata