



## 2 Top Stocks to Invest \$1,000 in a Volatile Stock Market

### Description

As coronavirus cases continue to increase, and uncertainty grips the economy, investors can expect the volatility to stay elevated in the stock market for the rest of 2020. However, a volatile stock market doesn't mean that you stop investing. Diversifying your portfolio or adding some [quality defensive stocks](#) to it should help you to ride out the volatility with ease.

So, if you are planning to invest \$1,000 in stocks, here are two top **TSX** stocks that should be on your radar in a volatile market.

### Maple Leaf Foods

**Maple Leaf Foods** ([TSX:MFI](#)) is a top stock that investors can consider buying amid a volatile market. While the company's meat protein business provides stability, its plant protein segment is growing at a breakneck pace and is driving the overall sales of the company.

Maple Leaf Foods's meat protein business has been generating steady sales. In the [most recent quarter](#), its meat protein segment registered mid-single-digit growth. Meanwhile, the segment's adjusted EBITDA and gross margins expanded by 180 basis points and 50 basis points, respectively. During the same period, the company's plant protein segment reported a 41.4% year-over-year growth in revenues.

Investors should note that continued demand, higher exports to the Asian markets, and price restructuring initiatives could continue to support its meat protein segment. The company expects the meat protein segment to register mid- to high-single-digit revenue growth for 2020, thanks to the sustainable demand. The division's margins are likely to expand from favourable mix and efficiency savings, despite the incremental costs related to COVID-19.

While the meat protein segment is expected to chug along nicely, revenues at its plant protein business are likely to grow at a rapid pace (management projects 30% growth in sales for 2020), reflecting high demand, market share gains, innovation, and the expansion of distribution.

Overall, Maple Leaf Foods is poised to deliver strong growth in 2020, which is likely to support its stock, despite the volatility in the stock market.

## Loblaw

As markets remain volatile, investors can consider buying the shares of Canada's largest food retailer, **Loblaw** ([TSX:L](#)). With its extensive network of food and drug stores and expansion of e-commerce, Loblaw is likely to benefit from sustained demand and consistent growth in traffic and ticket size. Its multiple store formats attract shoppers of all demographics.

Loblaw's investments in its Everyday Digital platforms are helping the company to meet the surge in online demand. The retailer offers shopping, both in-store and online. Moreover, the convenience of home delivery and online pickup services further appeals to the customers.

In the most recent quarter, its e-commerce sales accelerated sharply and jumped 280%. The retailer said that Canadians had purchased about \$1.2 billion worth of everyday items across its grocery, pharmacy, and apparel e-commerce platforms, year to date.

While the e-commerce demand is likely to remain high in the coming years, Loblaw continues to invest in expanding its digital capabilities and enhance its same-day service offerings. Moreover, the company expects to lower its costs associated with the surge in e-commerce sales.

Loblaw's defensive business and expansion of its e-commerce platform are likely to drive its stock, even amid volatility.

### CATEGORY

1. Coronavirus
2. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. TSX:L (Loblaw Companies Limited)
2. TSX:MFI (Maple Leaf Foods Inc.)

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