



5 Top Stocks to Buy Now for a Vaccine Breakthrough

Description

It's been a choppy few days on the markets. Guidance on a vaccine breakthrough has been thin on the ground. Meanwhile, sectors chewed up by the pandemic continue to bleed. Let's examine the five-day performance of five stocks to buy for a vaccine breakthrough.

Balancing risk with recovery growth in stocks

Cargojet was up 5.7% over five days at the start of the week. A play for its involvement in time-sensitive cargo dispatch, Cargojet is a hot logistics play for reduced-exposure access to the vaccine market. Shares in this popular aviation name are positive by 117% since this time last year, making for a strong pick for momentum investors.

Cineplex ([TSX:CGX](#)) has been taking a battering, as the movie exhibition market nosedives. News that **Cineworld** was shuttering theatres has hit the industry hard. Down 36% in the last five days at the time of writing, investors clearly think that movie theatres are going the way of the dodo. However, a post-pandemic world could see their revival, making Cineplex one to buy speculatively and sit on.

At one point, the would-be owners of Cineplex, Cineworld, is itself now down 33% over five days. And the pressure is mounting on Cineplex, as Ontario wavers under a second wave of the coronavirus outbreak.

Air Canada is down by around 16% in the last four weeks. It's encouraging to see that Air Canada is positive (up 1.5% in five days), even as social distancing is being strengthened. However, the sudden correction seen in theatre stocks could be contagious.

However a vaccine could see Cineplex (now down 80% year on year) rally dramatically. In the meantime, the possibility for a bailout should not be counted out. Indeed, even the suggestion that cinema chains could get rescued by federal money could see the share prices of key names like Cineplex improve.

Three stocks to buy for a vaccine windfall

Corning is up 5.6% on average for the last five days, with a 20% year-on-year bump. A less-obvious pick for [vaccine investing](#), Corning is nevertheless an integral part of the drive to make eventually approved drugs widely available to the populace. A buy for the clinical glassware angle, this name could find itself central to a literal bottleneck in supplies.

Moderna ([NASDAQ:MRNA](#)) and **Johnson & Johnson** are developing COVID-19 vaccine candidates, both of which could potentially be used in tandem should they be approved. Moderna saw a lot of action earlier in the year, with a breakthrough that precipitated 2020's [first significant tech stock sell-off](#). Fairly flat for the week, Moderna is up just 0.9%. In the meantime, rival J&J is down 0.7%, making it a key stock to buy on weakness.

However, Moderna is up 360% in the last 12 months. There could be a spike should Moderna succeed in bringing a vaccine to market. Potential upside is in the 90% range, suggesting that another breakthrough is baked in. Selling at \$71 a share but with a low target price of \$41, there's still a lot of downside potential here, too, though. This makes Moderna a somewhat dangerous stock that could go either way at the moment.

CATEGORY

1. Coronavirus
2. Investing
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1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:MRNA (Moderna, Inc.)
2. TSX:CGX (Cineplex Inc.)

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