



Why Rapid Testing Could Save the Stock Market

Description

You may have already heard that Canada's federal government approved the use of rapid testing for COVID-19. Rapid testing could mean Canadians finally return to some sort of normalcy, even with the virus still rampant throughout the country. We would still need to social distance and wear a mask etc., but testing could be huge for businesses. And that means it could also be huge for the markets.

The new rapid testing

These tests have a number of advantages, especially within the health community. First of all, the tests are incredibly easy to perform, with little training needed. It can be done right away at the point of needing care, rather than going to a hospital setting or specific location. And, of course, the tests have rapid results.

Canada signed on to get 8.5 million of the new tests by the end of the year, with the option of 12 million more in 2021. This will happen if the government finds the tests to indeed improve the current situation. Right now, critics say there isn't much of a strategy by the government to use these tests and help the long waits for testing. But that will hopefully change once the tests arrive.

Where the tests will help

These tests will help pretty much everywhere — specifically, places where large groups of people must go every day will be first on the list. That would include meat-packing plants, mines, and, of course, long-term-care facilities and day cares. The government said it's places like these where rapid testing would be deployed first.

While the focus will be on long-term care and schools in the news, large businesses like those mines I mentioned are likely to also see a significant amount of testing. The government needs the economy to get back on track, and that means a focus on the businesses to get them there.

Stay safe

I mean that in two ways. Just because there will be rapid testing doesn't mean a complete return to normalcy, but it'll help. Businesses, schools, mines, all of these places won't have to send people home for two weeks, or wait forever for tests. If there is a risk of contracting COVID-19, you can get a quick test, and return back to the new normal.

But the other way you can stay safe is to invest in companies that are likely to see a huge increase after rapid testing is deployed. I mentioned it a few times, but mines are the perfect place to see a large increase. Gold is already a strong place to invest because of the economic downturn. But now that mines can return to some normalcy, gold mines can really ramp up production.

The perfect company to invest in these days has to be **Kirkland Lake Gold** (TSX:KL)(NYSE:KL). The company has been in acquisition mode, with production now around the world. The company is now at [all-time highs](#), but that's likely to continue for years to come. If you bought Kirkland back in 2017, you would have [increased your returns](#) by 857% today! It also has year-over-year returns of 77.2% in the last quarter, jumping from 50% in December of last year. With the next quarter coming out on Oct. 30, you could see a huge jump, and even higher with rapid testing.

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