



Got \$2,000? 2 Under-\$50 Stocks to Buy if the Stock Market Crashes Again

Description

If you are worried that the stock market could crash again, then you are not alone. Many believe that the swift recovery in the equities with the economy still in the doldrums could soon lead to another market crash.

However, unlike the previous crash, you can plan and protect your portfolio's downside risk by adding some of the top defensive TSX stocks. Here are two under-\$50 stocks offering safety as well as growth.

Kinross Gold

Speaking of safety and growth, shares of **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) comes to mind as the top investment option. The demand for the shiny yellow metal rises amid a stock market crash or during an economic slowdown, driving the shares of the gold mining companies higher.

Kinross Gold is likely to benefit from the higher average realized gold prices amid a stock market crash. Meanwhile, its growing production profile and declining cost of sales are likely to give a significant boost to its financials and, in turn, its stock.

The company projects a 20% rise in its [production](#) over the next three years. Kinross Gold forecasts a decline in the production cost of sales during the same period. Higher production and declining costs are expected to boost its margins significantly. Meanwhile, lower capex guidance should give a lift to its free cash flows.

While Kinross Gold remains a safe bet and offers good growth, its valuation further strengthens my [bullish outlook](#). Kinross Gold trades at next 12-month EV/EBITDA multiple of 4.4, which is well below the peer group average of 6.4. Also, the company restored its dividend payouts.

Kinross Gold's low valuation, dividend payments, sustained growth, and resilient business is likely to strengthen your portfolio amid a downturn in the market.

Northland Power

Northland Power ([TSX:NPI](#)) is another top TSX stock offering good growth with stability. The power producer runs a resilient business that generates predictable cash flows to support its growth and dividend payments. Further, Northland Power has good growth prospects and remains well positioned to benefit from growing clean energy share in the overall global energy demand.

Investors should note that the company's power-producing assets and operating capacity are growing at a brisk pace over the past several years, driving its financials and stock higher. Investors should note that its power-producing assets benefit from the long-term power-purchase agreements. Moreover, these contracts have inflation indexation to reduce price risk. Also, its electricity-distribution utility assets are supported by regulated framework and rate base investments.

Northland Power's predictable and growing cash flows support its payouts as the company has uninterruptedly paid dividends since listing on the stock exchange.

Northland Power's continued investment in new and sustainable infrastructure assets, its ability to accelerate growth through strategic acquisitions, and its predictable cash flows not only add stability to your portfolio but offer an opportunity to boost your returns through capital appreciation as well as dividend income.

Currently, Northland Power shares pay a monthly dividend of \$0.10, translating into an annual yield of decent 2.8%.

CATEGORY

1. Coronavirus
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1. Editor's Choice

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1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:K (Kinross Gold Corporation)
3. TSX:NPI (Northland Power Inc.)

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