Got $3,000? 3 Stocks to Buy in a Market Crash

Description

There were many Canadians who thought perhaps the stock market rallied after all. We were seeing a V-shaped recovery, and it's here to stay. Unfortunately, economists simply don't agree. The pandemic, along with a poor future economic outlook, means there could be another market crash in the near future. In fact, it could be before the end of the year.

But all is not lost! Investors simply have to be prepared for another market crash. I certainly am not suggesting you wait for a market bottom. Instead, find some stocks that have performed well, and when there is a market crash, have a number in mind where you think it's worth buying a stake. You can always buy more if it continues to drop! But you could miss out on a great opportunity if you wait.

Three such opportunities to consider are with **Nutrien** (TSX:NTR)(NYSE:NTR), **Canadian Pacific Railway** (TSX:CP)(NYSE:CP) and **WELL Health Technologies** (TSX:WELL).

Nutrien

The world is changing, and not just within the health industry. Nutrien provides crop nutrients around the world to help feed the soil to grow crops. This is becoming quite the necessity, as the world's arable land shrinks further and further — especially in countries such as Asia and India, where Nutrien has already set up.

But Nutrien is doing what no other business has in the industry, and that's becoming the market leader through acquisition. It saw a bit of a revenue dip during the last quarter, but only by 0.3% year over year. Meanwhile, earnings per share jumped by 575.2%! With its next earnings date coming out on Nov. 2, investors should be watching closely to see what Nutrien might do next. While you wait for your returns, the company also has a solid 4.48% dividend yield.

CP Rail

Investors grew comfortable with CP Rail, expecting great things, even during a downturn. While it's true that railways are a pretty safe bet during an economic downturn, the pandemic has been hard on the company. While it hasn't seen a drop in revenue year over year, growth only came in at 0.5% during the latest earnings report.

But if you're a long-time investor, CP Rail should continue on its steady progression very soon. The company has a five-year return of 119.57%, as well at a 10-year compound annual growth rate (CAGR) of 21.18%, which is relatively unheard of. The company, however, has the cost-cutting measures and financials intact to see it through this pandemic and beyond.

WELL Health

WELL Health came along at the right time, aiming to use technology to digitize healthcare for the modern age. The company is in acquisition mode, with a number of opportunities promised down the pipeline that could see the company soar in share price and size overnight.

The company definitely believes in its business model, recently buying back 1.6 million shares for over $80 million. Meanwhile, investors have already been treated to about a 480% increase in returns in the last year. If there's one defensive stock to buy during a crash for quick returns, it has to be WELL Health.

Bottom line

If you purchased these stocks during the last market crash in March for $1,000 each, here is how it shakes out. Nutrien would be worth $1,325, CP Rail would be worth $1,600, and WELL Health would be worth a whopping $5,566! This could give you some idea of how things could change after the next crash as well.

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1. Coronavirus
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2. NYSE:NTR (Nutrien)
3. TSX:CP (Canadian Pacific Railway)
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