



Worried About a Stock Market Crash? Buy These 2 Stocks

Description

If you're worried about a stock market crash, you are not alone. The **S&P/TSX Index** has rallied big since March lows. This has been partly driven by real, meaningful events. For example, the Canadian economy has been quite resilient. Also, the Canadian government has lessened the blow of this pandemic with unprecedented aid. And finally, [we now have positive coronavirus vaccine news](#).

I'm excited and optimistic about all of this. But since markets are based on expectations, [can we say that expectations have gotten too high?](#) Markets often act in a very emotional way, displaying euphoria at times and deep depression at others. Markets overreach on both ends.

If you're worried that we are seeing too much optimism, too soon, read on. Here are two stocks to buy to shelter from a stock market crash.

Weather a stock market crash with Fortis stock

A stock market crash will affect all stocks. But those that are resilient will bounce back eventually. For example, Fortis stock is one of those resilient and defensive stocks. Fortis is a North American leader in the regulated gas and electric utility industry. Its revenues are predictable with reliable cash flows.

We all need the power that Fortis supplies us with. This is true in good times and in bad times. This is reflected in the stability of the company's results. It's also reflected in its strong dividend history. Fortis has 46 years of consecutive dividend increases under its belt. Looking ahead, the company remains committed to a 6% average annual dividend growth rate until 2024.

Fortis' dividend yield is currently a healthy 3.8%. This is an attractive rate, and given the low risk inherent in this stock, it is an exceptional rate.

Waste Connections stock can withstand a stock market crash

Waste Connections is an integrated solid waste services company that provides waste collection,

disposal and recycling services in the U.S. and Canada. This is a defensive business, one that withstands economic problems. The collection, transfer, recycling and disposal of solid waste is something that is needed regardless of the economic backdrop at any given time.

WCN stock has rallied 36% from March lows. This has been accompanied by solid free cash flow generation of \$780 million. Also, another 11% dividend increase was implemented — the tenth consecutive year of dividend increases.

At this time, there remains upside in pricing and in potential acquisitions over and above what expectations are calling for. The industry remains highly fragmented, which continues to be good news for Waste Connections as the company continues to consolidate the industry — and ultimately reap the rewards of its growing significance in the marketplace.

For a stock that has given us a five-year return of 230%, Waste Connections is surprisingly low risk. So consider buying this stock to shelter your portfolio from a stock market crash. It will preserve your money as well as offer long term growth and value creation.

The bottom line

The two stocks that I'm recommending for you in the event of a stock market crash share some key attributes. For example, they have defensive businesses. Also, their valuations are not excessive. Consider buying Fortis stock and Waste Connections stock to weather a stock market crash.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. NYSE:WCN (Waste Connections)
3. TSX:FTS (Fortis Inc.)
4. TSX:WCN (Waste Connections)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date

2025/08/15

Date Created

2020/11/20

Author

karenjennifer

default watermark

default watermark