



## Market Crash: Buy These 2 Stocks Now

### Description

When will the next market crash come? No one knows, but many experts are sounding the alarm.

“We are in a bubble, but it is unlike any other,” [warns](#) Jeremy Grantham, one of the world’s foremost experts on market bubbles. “My bet is that reality will catch up with the high P/Es.”

Grantham believes that the next market crash could get ugly fast.

“If you break confidence and are way overpriced, you are looking at substantial declines,” he notes. “The stories are everywhere and are what you need for a bubble to break.”

But not all stocks will decline during the next market crash. Two in particular may *rise*.

### This stock can help you buy low

**Constellation Software** ([TSX:CSU](#)) is an incredible stock. Since 2006, shares have risen 86 times in value. Millionaires have been minted through this company alone.

Founded by a former venture capitalist, Constellation has a unique approach to software, one that can actually *thrive* during a market crash.

The biggest thing to understand is that the company doesn’t usually develop its own software. Instead, it opts to buy competitors. These acquisitions are usually fairly small, so bidding pressure is low, ensuring Constellation an attractive price. Then, it simply plugs the acquisition into its expanded portfolio, strips out redundant costs, and adds steam to its cash flow machine.

An acquisition-first strategy is a huge [advantage](#) during a market crash. That’s because acquisition prices often fall alongside the rest of the market. With recession-resistant cash flows, Constellation can keep buying as prices drop. And because it’s completely focused on long-term results, it can remain patient until the market recovers.

By owning this stock, you actually *benefit* from lower asset prices.

## Survive another market crash

When the pandemic began, retailers around the world shut down, but you'd be mistaken to believe retail in general was dead. As **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) proved, consumer spending remained remarkably strong for digital players. Just look at the most recent holiday data.

"We're thrilled with the Black Friday sales generated by the businesses on Shopify. In just a single day, merchants around the world produced more than 80% of the sales of the entire holiday shopping weekend last year," [announced](#) Shopify President Harley Finkelstein..

The company thinks that e-commerce spending this holiday season will ultimately set new records, an amazing feat as brick-and-mortar businesses struggle to survive. This is a classic case of a company profiting as an adjacent industry crashes.

The traditional retail model is dying. It'll take years for this story to play out. Meanwhile, e-commerce sales still represent a small fraction of total consumer spending. It may be hard to believe, but this \$100 billion company could triple in size *several times* over the next decade.

During a market crash, many people believe there's nowhere to hide. Tech stocks like Constellation and Shopify prove that's not true. Some business models are primed to grow *because* other markets are struggling. Some opportunities, like 5G, are so powerful that even a harsh recession can't stop the growth.

### CATEGORY

1. Investing

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2. TSX:CSU (Constellation Software Inc.)
3. TSX:SHOP (Shopify Inc.)

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