2 Super Stocks That Will Survive Market Volatility

Description

Investors are still treading treacherous grounds because of COVID-19's mutation. Public health officials in Canada warn of rising variant cases and urge the government to maintain pandemic restrictions. The country's top doctor, Dr. Theresa Tam, said strong public health measures and collective action are the keys to halting the spread of the highly infectious virus variants.

Economists surveyed by *Reuters* forecast that Canada's economy will hit a major roadblock in the first quarter of 2021 before gaining momentum in the second quarter of 2021. GDP would reach the pre-pandemic growth level within a year. Meanwhile, COVID-19 could still disrupt the stock market.

If a severe correction is forthcoming, risk-averse investors should start rebalancing their portfolios and move to super stocks. **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD) and **Telus** (TSX:T)(NYSE:TU) are companies that can survive a market crash.

Time tested

No company reported revenue and profit growth in the 2008 financial crisis, except Toronto-Dominion Bank. Along with all the big banks, Canada's second-largest bank didn't request a bailout or support from the Bank of Canada. In the 2020 pandemic, TD was more proactive in containing the fallout from the global pandemic.

The $139.51 billion bank has always been the go-to stock when the market goes haywire. Income investors and retirees, in particular, depend on TD for recurring income streams. For 163 years, the blue-chip stock has not disappointed. Paying dividends is in the bank's DNA, regardless of the market environment.

Canadians who had TD as their anchor stock in 2020 did not lose money. Despite the industry headwinds, the bank delivered a total return of 3.73%. So far this year, current investors are up nearly 8%. If you were to invest today, the bank stock offers a 4.11 % dividend.

Top growth stock

Telus is a viable and less-risky investment option given the nature of its business. The Wireless and Wireline segments of Canada's second-largest telco remain strong as ever amid the health crisis. Its share price sunk to as low as $19.78 in March 2020 but did not experience wild price swings.

Thus far, the year-to-date gain is 2.62%. Analysts forecast a potential 23.7% in the next 12 months. At the current share price of $25.87, the dividend yield is a fantastic 4.78%. A $50,000 investment will produce $2,390 in passive income.

Telus is also the top pick of growth investors for good reasons. The IPO of **Telus International** was a huge success. Its wholly owned subsidiary specializing in digital experience solutions reported a 55% revenue growth in the COVID year. As to the core business, Telus is pioneering Internet of Things (IoT) device connectivity on cellular networks.

The Telus Global Connect, a partnership with leading-edge IoT connectivity management solutions provider Eseye, is a growth catalyst. The enterprise-grade network operation will power customers' products and services from connectivity to built-in security and world-class support.

Peace of mind

Market volatility remains elevated due to the more lethal COVID-19 variants. However, investing in super stocks like Toronto-Dominion Bank and Telus should buy you peace of mind, even if the market crashes. Risk-averse and long-term investors enjoy capital protection and stable income streams. You couldn't ask for more.

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1. Bank Stocks
2. Dividend Stocks
3. Investing

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1. Editor's Choice

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2. NYSE:TU (TELUS)
3. TSX:T (TELUS)
4. TSX:TD (The Toronto-Dominion Bank)

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