



Don't Panic: This TSX Index Tumble Could Make You Rich If You Have a Game Plan!

Description

We're starting to hear that 'r' word a lot lately.

Tune into any business channel and you're bound to hear the word "recession" being thrown around like it's going out of style. Indeed, the next recession has been a long time coming, and like it or not, the economy and the stock market will eventually roll over. But as an investor, you should treat "expert" market forecasts with a grain of salt because you'll quickly find that these shallow projections are a dime a dozen, and many contradict one another, only serving to further confuse you in an already perplexing time.

If you're a new investor, it's only natural to ask yourself: "where's the market headed next?" or "are we near the bottom? If not, when is the bottom?"

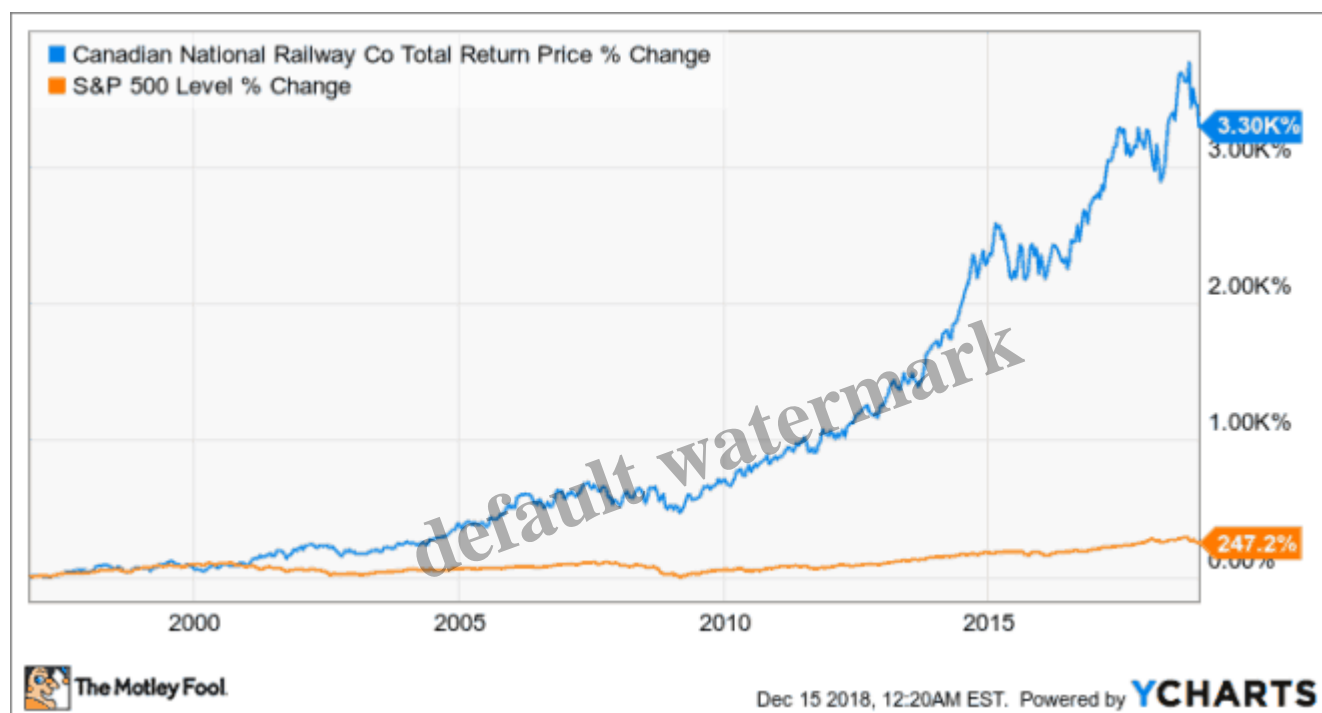
Unfortunately, these are questions that nobody knows the answers to, as the outcome is contingent on a handful of events that not even the most seasoned economist or billionaire hedge fund manager would be able to predict with any degree of precision.

As the fears of investors begin to mount, you should take a step back and remember that you're in the game to own pieces of [wonderful businesses](#). When we get too caught up in the macro story, we forget this and treat all stocks as the indices themselves.

Over the long term, equities beat out any asset class when it comes to returns, and if you own the best-in-breed businesses, your portfolio, while surely battered now, will eventually bounce back. A few years down the road, you'll ultimately be asking yourself why you didn't treat the current dip as an opportunity to buy more shares of your [favourite companies](#).

Consider **Canadian National Railway Company** ([TSX:CNR](#))([NYSE:CNI](#)), a dividend-growth king that has one of the widest moats of any business you could think of. Railways are notoriously difficult, if not impossible, to start from scratch, so CN Rail has essentially been a worry-free investment that's been the ideal store for wealth.

Throughout time, investors have consistently received above-average risk-adjusted returns in the form of a continuously growing dividend and stock price appreciation. Just have a look at the chart below.



Over the last few decades, CN Rail has put all the **S&P 500** to shame. While this is impressive on itself, investors should know that their outperformance versus the benchmark would have been even more impressive if they had consistently bought on the dips that presented themselves over time.

Foolish takeaway

Recessions, slowdowns, bear markets, it really doesn't matter, if you buy CN Rail stock on a dip, you'll be on the right track to financial freedom with little to no consideration for the macro fears being spread around the financial media at a given point in time.

The recent TSX tumble, I believe, is just another dip that's unremarkable in the grander scheme of things. And if you can nab shares today, you'll surely be thanking yourself in 10, 20, or 30 years down the road, as the outstanding rail operator continues chugging along, enriching its shareholders like it's nobody else's business.

Stay hungry. Stay Foolish.

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Author

joefrenette

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