



2 Top TSX Index Stocks to Buy When the Market Tanks

Description

Trade wars, Brexit uncertainty, and fragile European banks are all simmering below the surface while equity markets remain at or near all-time highs.

At some point, there will be another significant pullback and while we don't know when or why it will happen, investors should keep some cash available to take advantage of the opportunity when it occurs.

Let's take a look at two TSX Index stocks that deserve to be on your [watch list](#) ahead of the next stock market dip.

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#))

Bank of Nova Scotia already trades at an attractive 10.7 times trailing earnings. Any significant dip in the stock price triggered by a broad-based pullback in the equity markets should be viewed as an opportunity for buy-and-hold investors to scoop up the stock.

Bank of Nova Scotia has a strong Canadian business, but its international division likely holds the most promise for future growth. The company has invested billions of dollars to build a large business in Latin America with a specific focus on the Pacific Alliance countries of Mexico, Peru, Chile, and Colombia. These markets are home to more than 200 million potential customers.

Banking services penetration in the region is lower than it is in more developed countries, and that creates a significant long-term opportunity for Bank of Nova Scotia as middle-class wealth expands.

Bank of Nova Scotia pays an attractive [dividend](#) that currently yields 4.8%. A dip in the stock would push the yield above 5%, which is a nice return for investors while they wait for the next rally.

Brookfield Asset Management ([TSX:BAM.A](#))([NYSE:BAM](#))

Brookfield Asset Management is an alternative asset manager with investments in infrastructure, real estate, and renewable power around the world.

The company's size and expertise give it an advantage when opportunities arise to acquire new assets at prices that will ensure strong long-term returns. The company also has a knack for knowing when an asset can fetch a price that justifies monetizing the investment and allocating the funds to new opportunities.

Economic downturns and financial instability in the global market provide this company with great entry points and any move to the downside in the stock price in that environment should be used as a buy signal for savvy investors.

The bottom line

Bank of Nova Scotia and Brookfield Asset Management are both high-quality companies with long-term growth potential and deserve to be on your radar when the stock market goes through a correction.

Additional TSX Index stocks are also worth watching today.

CATEGORY

1. Bank Stocks
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BN (Brookfield)
4. TSX:BNS (Bank Of Nova Scotia)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Bank Stocks
2. Investing
3. Stocks for Beginners

Date

2025/07/29

Date Created

2019/05/07

Author
aswalker

default watermark

default watermark