



# TFSA Investors: How to Become a Market Crash Millionaire

## Description

There's a reason why bank stocks are going up today even with the current [market crash scare](#). Bank stocks are more secure than many investors give them credit. Canada's Big Six banks wield substantial market power. Together, they also give Canada a wide international reach as far down south as Latin America.

Canada boasts some of the most secure banks in the world including the **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) and the **Toronto Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)). These banks consistently exceed capital requirements and have a history of bouncing back quickly from financial crises.

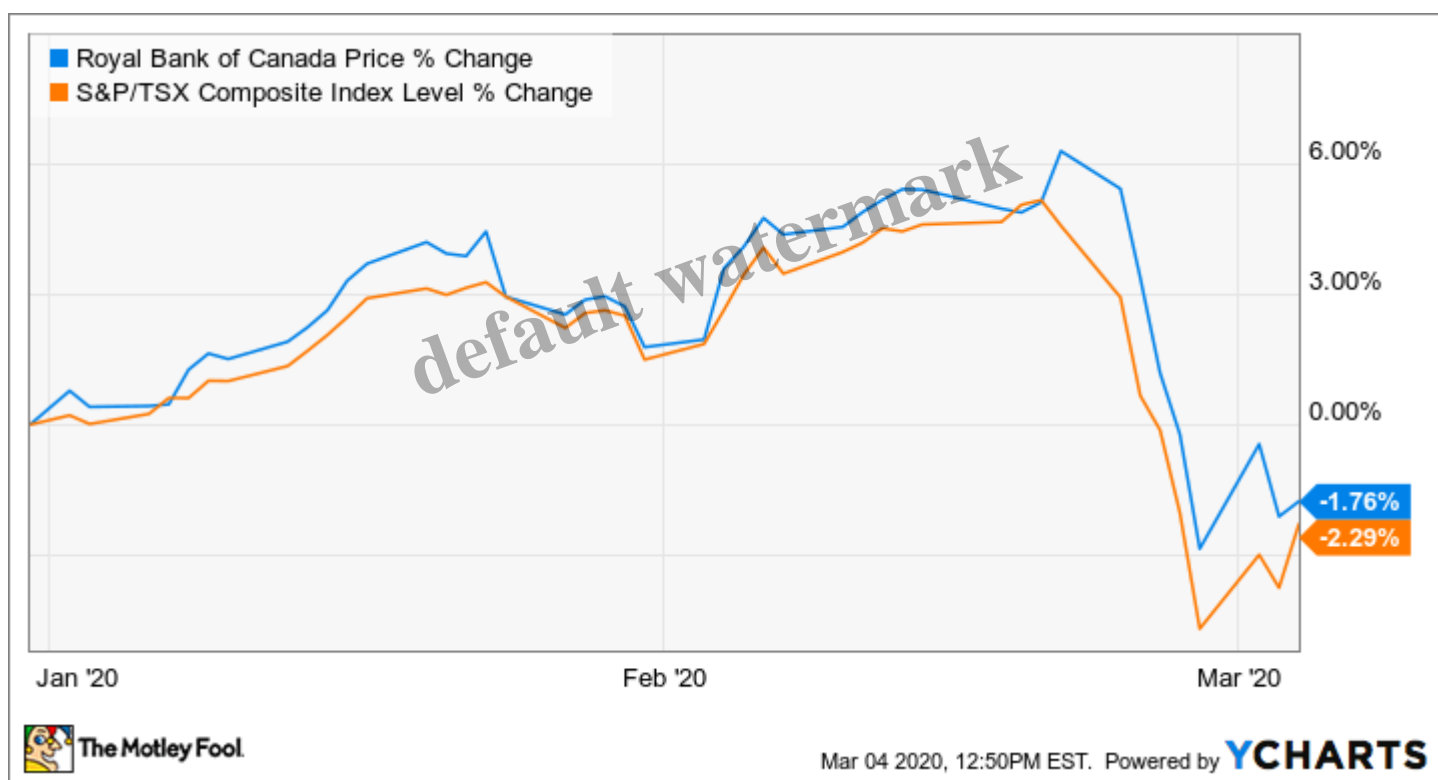


Briefly, during the thick of the global financial crisis of 2008, the stock prices on these banks dropped, while long-term returns remained higher than the **S&P/TSX Composite Index**. As mentioned, the stock market valuations quickly returned to normal by 2010.

If you want to protect your retirement assets for the long term, bank stocks are your best bet. Canadian investors should be safeguarding their financial portfolios by investing in reputable companies with strong political support like banks.

## RBC's stock price is falling less than the market

Today, RBC stock traded for just less than \$101 per share and the stock was up just around 0.42% for the day. Year to date, RBC's stock market value has only suffered an overall 1.7% loss. Meanwhile, the percent level change on the **S&P/TSX Composite Index** is a negative 2.3%.

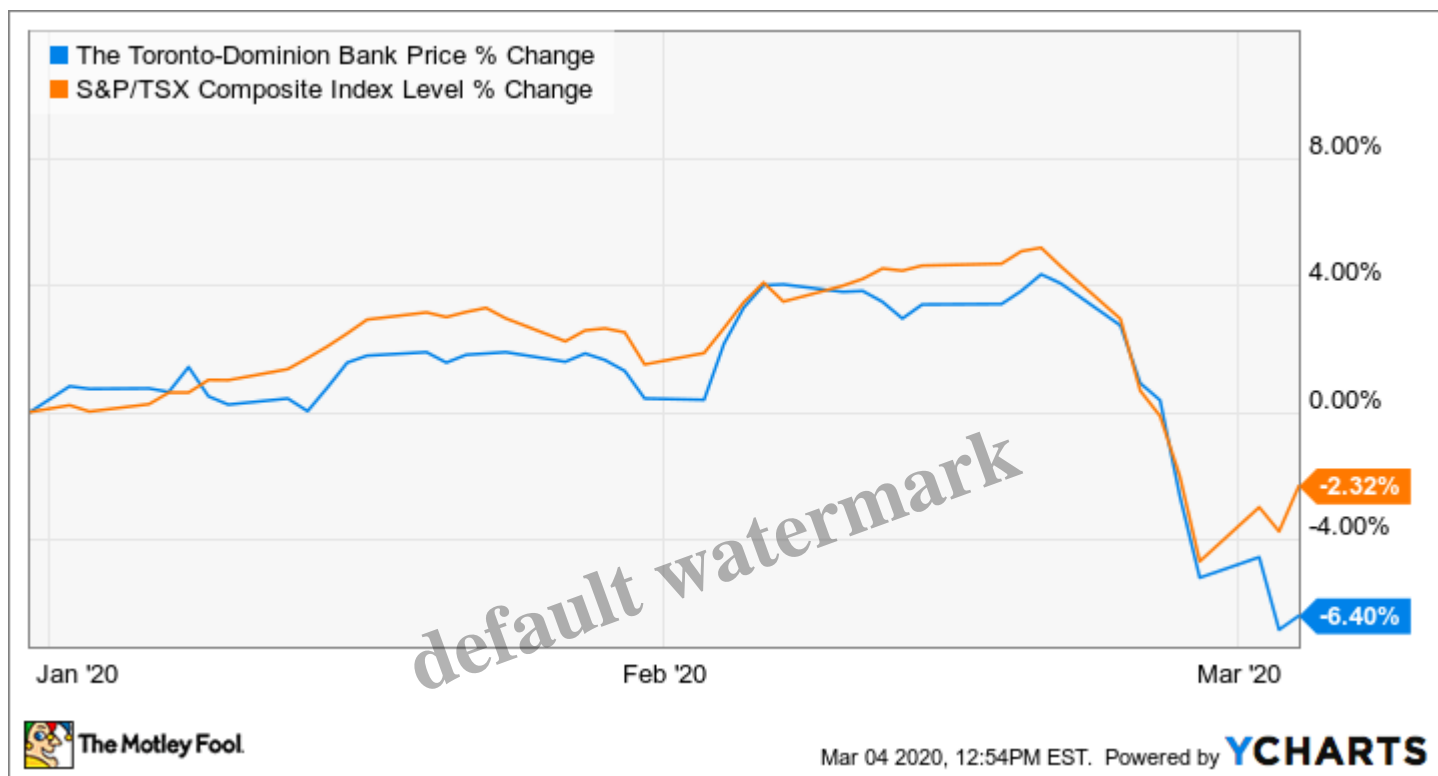


In a nutshell, market turbulence tends to affect banks less, on average, than other major stocks listed on the **Toronto Stock Exchange**. If you want to protect your savings from a market crash, you should look for stocks that have historically outperformed the index even during recessions and global geopolitical conflict.

The Royal Bank of Canada fits this description perfectly and remains one of the most trusted banks in the world. Out of all the Canadian banks, RBC is my top recommendation to keep your long-term investments safe during this year's market turbulence.

## Buy Toronto-Dominion Bank stock on the dip

Right now, Toronto-Dominion Bank is getting hit pretty hard by the market turbulence. This doesn't necessarily mean that you should stay away from the stock altogether, however. On the contrary, the strong dip in price relative to the market index represents the perfect time to [buy on the dip](#).



Year-to-date, Toronto-Dominion Bank stock has fallen 6.4% from the start of the year, more than the index level percent change of around negative 2.3%.

While this might be a bad omen to some investors, if you take a long-term mindset to your stock investing decisions, you will realize that now is the best time to increase your long stock market positions in Toronto-Dominion Bank.

When the market bounces bank (which it will), you will earn a nice return on a purchase today in Toronto-Dominion Bank stock. Last week, the bank reported a 5.7% increase in adjusted earnings.

Although the news couldn't overshadow other concerns surrounding the coronavirus, savvy investors shouldn't allow the apparent market pessimism to distract them from buying low and selling high.

What's more is the pending transaction between Toronto-Dominion and Charles Schwab to sell about a 30% stake in TD Ameritrade for around USD\$26 billion.

This should come as positive news to Toronto-Dominion bank shareholders, as the stock price of the asset seller usually climbs in value in response to deals like this.

### CATEGORY

1. Investing

## **TICKERS GLOBAL**

1. NYSE:RY (Royal Bank of Canada)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:RY (Royal Bank of Canada)
4. TSX:TD (The Toronto-Dominion Bank)

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1. Investing

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