



## 3 TSX Stocks to AVOID During This Market Panic!

### Description

As the coronavirus sweeps the globe and oil prices plunge worldwide, markets are getting more volatile than we've seen in years. On Monday, the TSX slid a full 10%, as oil prices wreaked havoc on energy stocks, while American markets fell more modestly on virus-related concerns. In this environment, almost all stocks are getting hit. However, some are better prepared to weather the storm than others. As you're about to see, there are several industries that are particularly likely to get hammered from current market conditions. Companies in these industries that have structural problems are likely to experience serious long-term consequences. Here are three such stocks you might want to avoid.

### Baytex Energy

**Baytex Energy** is an Alberta-based oil exploration/marketing company that was in trouble long before the tar sands' latest emergency. Faced with a [mountain of debt](#) and frequent losses, its stock had been in a free fall since 2011. The slide really got underway in the oil price crash of 2014/2015. The company borrowed extensively in the lead up to the crash and was left with \$2 billion worth of debt it couldn't service. The result was many losing quarters. Now, with oil prices crashing, BTE could tank even further. In January, the company announced it was issuing a new \$500 million debt financing round. That — combined with falling oil — doesn't bode well for BTE.

### Canadian Imperial Bank of Commerce

**Canadian Imperial Bank of Commerce** is one of Canada's Big Six banks. Over the years, it has been one of the worst-performing Canadian financials, due primarily to lacklustre growth. Unlike other banks, CIBC doesn't have much in the way of foreign operations, so its room to grow is limited. Like Baytex Energy, CIBC could lose big from continued weakness in oil. Canadian banks' loan losses from oil and gas have been growing, and CIBC is particularly exposed to the contagion. Making up 6.6% of its total commercial loans portfolio, CIBC's oil and gas loans could pose problems down the line.

## Bombardier

**Bombardier** has taken a serious beating in recent months. After selling off several business units and laying off hundreds of staff, it's showing all the telltale signs of a company in decline. Its stock has done as poorly as you'd expect given the news: down 50% year to date, it's been one of the TSX's biggest losers.

With or without this market panic, Bombardier stock is questionable. Factor in the contagion, and things only get uglier. One of the few business units Bombardier has left is [business jets](#). If the virus panic continues, that's likely to take a hit as demand for business travel falls. We're already seeing major companies cancel business flights in response to the coronavirus. If this trend continues, it could be the end for Bombardier.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### POST TAG

1. Editor's Choice

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

### Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

### Tags

1. Editor's Choice

### Date

2025/08/26

### Date Created

2020/03/11

### Author

andrewbutton

default watermark

default watermark