



TFSA Investors: 3 Stocks That Could Double in a Market Comeback

Description

While most other TFSA investors are in [shock](#) over the fortunes that have been lost in the past few weeks, you should put your contrarian hat on and think about what you should be buying while stocks are trading at bargain-basement prices.

After a 33% crash, the **TSX Index** is [chock-full of opportunities](#) to pay two quarters to get a loonie. Add the liquidity issues into the equation, and it's clear that today's bargains are too good to pass up.

This piece will look at three such names if you're ready to put some dry powder to work.

TFSA investors can fatten up their wealth with Restaurant Brands International

First up, we have **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)), a fast-food juggernaut that's taken a great deal of damage amid the coronavirus (COVID-19) crisis. People aren't eating out as much as they used to because of the call for social-distancing to dampen the spread of the deadly virus.

PM Justin Trudeau has not ruled out a lockdown, so restaurants could go from having less business to having no business. Like most negative things, it would be temporary.

Restaurant Brands was a cash cow, and it always will be. It is just hibernating while the bear is out and roaming. With the last quarter exhibiting tremendous strength thanks in part to the success of Popeye's Louisiana Kitchen, I think it's about time that TFSA investors go against the grain and think about the next five years, rather than the next five weeks.

Hold your nose, buy the stock, and collect the juicy 6% yield while you wait for the market to normalize.

Spin Master falls into a tailspin

Spin Master ([TSX:TOY](#)) is a complete dog of a stock. The management team shot itself in the foot and the company is in deep trouble as China's supply chain is a tangled mess. Toys may be a discretionary item, and discretionary spending is going to tank in a recession. But Spin is priced with more than just a recession baked in.

The lack of operational leadership is a concern and missteps over the years have led to substantial wealth destruction for shareholders. And while the stock seems un-investible at this juncture (I warned TFSA investors to sell the stock months ago), I still believe there exists some price where every stock becomes a buy. And after the near 80% peak-to-trough drop in the stock, I think we're close to reaching such a point for Spin.

The company owns some stellar assets, including Gund, Hatchimals, and Paw Patrol. Moreover, Spin's balance sheet is in stellar shape, allowing the firm to take advantage of opportunities amid the collapse in the toy industry and the broader global economy.

Spin will live to see another day, and long-term investors should buy the stock as it continues to tailspin below its IPO price.

Air Canada is a falling knife that could ricochet, but be careful!

Finally, we have **Air Canada** ([TSX:AC](#))([TSX:AC.B](#)), which has been crashing hard. Like Spin, I warned TFSA investors that the stock would implode a few months ago.

It looks like Air Canada needs a shot in the arm if it's ever going to make it through some of the most challenging times since the 2008 financial crisis. The company may have been ready for another cyclical downturn, but it wasn't prepared for a pandemic that would interrupt sales for an indefinite period.

As long as this virus persists, Air Canada will continue to nosedive on the horrific headlines. Given the debt that's weighing down the balance sheet, Air Canada may be seen as a firm that won't make it through this crisis. Given the likelihood that Air Canada will receive financial relief from the federal government, however, it becomes more evident that Air Canada is a name that could bounce back in a big way.

The only problem is it's going to be tough to time the bottom in the nosediving name. As such, I'd say the risk-reward makes Air Canada the least attractive of all the names on this list.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:AC (Air Canada)
3. TSX:QSR (Restaurant Brands International Inc.)
4. TSX:TOY (Spin Master)

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