

Stock Market Crash: Where to Invest \$5000 Today

Description

Today's stock market crash is ripe with opportunity for investors. If you have enough cash on hand for an emergency, there really isn't any reason for you to look for some stocks to buy. But it can be a bit of a mine field right now. Energy stocks in particular might have plenty of opportunities, but there is also the chance you pick a few bad apples in the bunch.

Yet it's not all doom and gloom, and if you look into the right energy stocks you stand the chance to make a killing. Investing just \$5,000 today could set you up for huge gains if you're looking to invest long term.

TC Energy

If you're going to look at one stock today, I would <u>highly recommend</u> **TC Energy Corp.** (<u>TSX:TRP</u>)(<u>NYSE:TRP</u>). TC Energy is setting itself up to be a competitor amongst some of the other heavy hitter energy stocks. The oil and gas industry has been hammered as of late, yet TC Energy has faired relatively well. Even just as a standalone stock.

For example, the stock has dropped about 25% as of writing since February, yet the **S&P/TSX Composite** has dropped a full 30% in comparison. Within other energy stocks, **Suncor Energy Inc.** dropped a whopping 63% since January, and **Canadian Natural Resources Ltd.** an incredible 70%! So comparatively speaking, TC Energy is doing quite well.

And again, if you're looking for a long-term investment, TC Energy is the perfect option. Since changing from TransCanada, the company has expanded to own \$100 billion assets throughout Canada, the United States, Mexico and now even Columbia.

TC Energy has an array of projects, including oil pipelines, natural gas pipelines, storage facilities, and power generation. These projects are well set up for long-term investors, as the company has 95% of its business secured in long-term contracts.

On top of that, TC Energy has \$30 billion in secured projects set to be completed through 2023, and

\$20 billion in development. So after the stock market crash rebounds, TC Energy should have no problem rebuilding its portfolio.

The numbers

You don't have to worry that you'll just have to wait and see with TC Energy. The company offers a substantial dividend that is set to <u>increase by 8%</u> to 10% through 2021. The current dividend yield sits at 4.63%, or \$3.24 per share per year. If you take that \$5,000 I recommended and put it toward TC Energy as of writing, that would bring in about \$280 per year in dividends.

The really exciting stuff is when you look at the company's fair value. TC Energy's sell off seems drastic, just as it has with other energy stocks.

So if you just look at TC Energy's fair value, expecting the company to bounce back to this price after the stock market crash, that's an increase of 17% as of writing. That would bring a \$5,000 investment to \$5,862. With dividends included, that's \$6,142 in potentially only a year's time.

Bottom line

It can seem scary to invest during a stock market crash, but as I mentioned there are plenty of opportunities. Energy stocks offer the perfect chance to buy low and hold on to these solid long-term stocks. You'll make a killing in the short term, and years from now could use this one investment to fuel your way to retirement.

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