TFSA Stocks: 4 TSX Companies to Buy in the Market Crash

Description

Canada has some great publicly traded companies. However, not all **TSX** companies are as good as each other. And if you're buying shares for a Tax-Free Savings Account (TFSA) you'll know that those names have to be reliable. That's why it pays to do a quality check on any stock you plan to own. Today we'll take a look at some of the best stocks to buy for your TFSA in 2020.

Contrarian plays and TFSA stocks

Investors have been seeking out blue-chip bargains, like airline companies and beaten-up energy names. **Enbridge** is a healthy, robust value play for the long-term, but the oil sector is reeling.

Meanwhile, **Air Canada** is laying off 16,000 temporarily to offset a drop in traveller demand. Both names support a value/contrarian strategy, therefore. Both could also bring long-term value to a TFSA.

Bombardier is an event-driven stock — and the last couple of months have been full of events. The start of the year saw the oil price war rumble on, and a real war almost ignited in the Middle East. Now Bombardier is putting the kibosh on operations amid COVID-19 fears and signs of a recessionary market.

The aerospace behemoth saw its share price rocket 12% on news of its rail divestment. Investors were finally being given what they wanted from Bombardier – focus. Indeed, this radical act of streamlining is one of the main reasons why contrarians may want to buy this name for a TFSA.

Value investors also have reason enough to get invested. The stock has lost 84% in the last 12 months. Its downward trajectory has been especially steep lately, though. Bombardier nosedived 77% in the last three months. The billion-dollar aircraft and business jet company could hit the bottom soon.

A safe play for a TFSA

Perhaps you want to side-step currently shunned industries. A low risk TFSA stock should be resilient to market forces

, after all. BCE has emerged as a major stock for quarantine upside. This name has social distancing written all over it. From wireless coms to TV entertainment, BCE is a strong buy for the coronavirus market.

BCE is one of the biggest blue-chip names for communications exposure. It combines wireless, broadband, television, and Internet services – a must-have for investors seeking safe TFSA stocks right now.

Around 10 million Canadians feed revenue into its wireless business. That's a huge market share, making BCE a strong wide-moat buy.

Further, BCE is also the legacy phone provider for most of Eastern Canada. For TFSA investors eyeing social distancing stocks, BCE is also a strong pick for TV, radio, and media exposure.

For instance, BCE holds the Canadian reins to Showtime, Starz, and HBO. Overall, BCE is nicely diversified, with a wireline and wireless to media EBITDA ratio of about 90:10.

The bottom line

Pundits are traditionally bearish on Bombardier, but for contrarian investors it could be a profitable TFSA side bet. Enbridge and Air Canada are stronger buys for an eventual market recovery.

Meanwhile, BCE is a low risk, wide-moat buy for any Canadian stock portfolio.

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Date
2025/08/14
Date Created
2020/04/02
Author
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