



## TSX ETFs: 2 Top Investments to Buy Today

### Description

Weeks after the sell-off in stocks began, there is still as much uncertainty as ever. This is causing many Canadians to wonder whether now is the best time to buy TSX stocks or ETFs.

When the problems first started, the fear was strong and rapid. The fear was so strong, it caused stocks to decline at a pace never seen before. One of the biggest reasons for the major fall was because cash became king. That's normal in a recession, but it becomes more obvious when many businesses are shutting down at once and millions of people are temporarily out of work.

Now, as we are past the initial phase of shock, the market is struggling with what's to come next.

And slowly, the extra cash that is sitting on the sideline is starting to lose its value for investors.

This means that any investors who have cash should be looking to invest it now. Of course, we don't know what may happen or how long things may last. So, to be prudent, we are going to need to keep our options open.

A great way to play a recovery now is to buy a TSX index ETF like the **iShares S&P/TSX 60 Index ETF** ([TSX:XIU](#)).

### TSX index ETF

Buying index funds like this TSX ETF is a great way for long-term investors to take advantage of the slumping share prices across the country.

[Warren Buffett](#) has recommended index funds to individuals for years, alluding to the sensibility for retail investors who aren't professionals to get exposure to such high-quality companies for such low fees.

One of the main benefits of buying an index fund is that it offers investors major diversification. Not only do you get exposure to numerous companies, but you also get businesses from every industry.

It's essentially a long-term bet that the economy will one day recover. And, as we have seen throughout history, regardless of the length of time, that is always the case.

It's crucial to get exposure to the TSX ETF as soon as possible. This way, you won't miss a rally if one happens sooner than expected. While that seems unlikely at this point, one thing we've learned by now is to expect the unexpected.

However, as I mentioned before, with uncertainty this high, investors may opt to buy a gold ETF as well to protect against more downside.

## TSX gold ETF

One of the top TSX gold ETFs to consider is the **iShares S&P/TSX Global Gold Index ETF** ([TSX:XGD](#)).

The ETF holds a basket of gold-producing companies from around the world. This gives investors exposure to the economics of the gold-producing industry, without having to expose yourself to company-specific risk.

Gold producers are facing headwinds at the moment, as businesses are forced to shut down some mines due to the impact of COVID-19.

This is only temporary, although it could create a major shortage. Gold production is set to significantly decline right as the demand for gold is going to skyrocket. Many countries around the world are stimulating their economies by increasing the money supply. So, naturally, the price of gold will continue to increase.

This will make gold producers a lot more profitable when they are back to full production. And when this profitability begins to be realized, the share prices will skyrocket, which is what makes the ETF such an attractive investment today.

## Bottom line

Almost every stock on the TSX is down significantly from its highs, including gold producers. That's why these investments are must-buys today.

Discounts like this don't come around very often. And although there is risk these ETFs could decline in the short run, long term, they will be extremely rewarding.

### CATEGORY

1. Coronavirus
2. Investing

## TICKERS GLOBAL

1. TSX:XGD (iShares S&P/TSX Global Gold Index ETF)
2. TSX:XIU (iShares S&P/TSX 60 Index ETF)

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