Stock Market Crash 2020: Is This Your Chance to Make Millions?

Description

The last two months have been volatile for equity investors. The stock market crash of 2020 is primarily driven by the COVID-19 pandemic.

A significant portion of the global population is largely staying at home due to countrywide lockdowns. This has led to a considerable decline in consumer spending, resulting in business closures and high unemployment rates. Governments are stepping in and boosting the economy via stimulus packages, which have helped the markets stage a comeback in recent times.

Long-term investors should view the recent market crash as an opportunity to create massive wealth. The equity market continues to remain an attractive option in times of low interest rates. The ongoing bear market may allow investors to rake in millions if they can identify stocks that will gain big once the downturn is over and the market rebounds. So, which stocks look attractive at the current prices?

High-growth tech stocks

Growth stocks have created stupendous wealth for long-term investors. If you had invested $1,000 each in **Apple** and **Amazon** back in April 2000, your investment would be worth close to $120,000 now. Canadian growth stocks such as **Shopify**, **Lightspeed**, **Descartes Systems**, **Kinaxis**, and **Aritzia** have huge potential to multiply your wealth in the long term.

Tech stocks in the United States such as **Alteryx**, **The Trade Desk**, **Twilio**, **Splunk**, **Okta**, and many others are also solid bets.

Warren Buffett stocks

It bodes well to replicate the strategies of top investors. Warren Buffett has been one of the most successful investors in the world. The recent sell-off has dragged Buffett's portfolio lower as well. But the Oracle of Omaha holds top-quality stocks and might well be using the recent correction to add tohis portfolio.

Buffett's **Berkshire Hathaway** holds stocks such as **Mastercard**, **StoneCo**, **Visa**, **Verisign**, **Restaurant Brands International**, **Sirius XM**, **Kraft Heinz**, and **Coca-Cola**. Several of these stocks have lost momentum in recent times and can be bought at lower valuations.

Gold stocks

Several economists expect the current downturn to lead to a recession far worse than the 2008-09 financial crisis. In case you are bearish on the economy, investing in alternative assets such as gold can help diversify your portfolio and increase your wealth.

Gold mining companies such as **Barrick Gold**, **Kirkland Gold**, **Eldorado Gold**, and **Franco-Nevada** have returned 35%, -10%, 5.1%, and 30%, respectively, in 2020, easily outperforming the broader markets.

Transportation stocks

Stocks in the travel and transportation sector have been decimated, as countries have shut borders and announced social-distancing measures. Shares of **Air Canada**, **Delta Air Lines**, **Uber**, **Lyft**, and **Expedia** are down by 68%, 64%. 42%, 60%, and 60%, respectively, from 52-week high. Cruise line companies such as **Carnival**, **Royal Caribbean**, and **Norwegian Cruise Lines** are also down 79%, 75%, and 81%, respectively, from 52-week highs.

China, which was the epicentre of the COVID-19 outbreak, is slowly limping back to normalcy. If countries in Europe and North America can successfully contain the dreaded virus, the markets should bounce back, sending these stocks higher in 2020 and beyond.

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