Market Crash: Turn $60,000 Into $1 Million Right Now

Description

There appear to be fewer and fewer buying opportunities these days for investors looking for a deal. The market crash has come, and it's still up for debate whether that was the market bottom or not or whether another crash is on the way.

Frankly, it doesn't matter. If you're an investor looking for solid growth opportunity, then right now is an excellent time to find stocks you can buy up and hold for decades.

There are still some stocks out there that haven't come up by much during the market crash, even with this rebound. One area that seems to still be suffering is the banking industry. Banks reported poor earnings, and are now going to be subject to further scrutiny given the housing crisis.

With homes sales down 57% in April, banks are certainly going to suffering with loan repayment. But one thing to remember is that during the last recession Canadian banks fared as some of the best in the world. These banks rebounded to pre-crash prices within one year.

So if you're looking to buy and hold for the long run, you can almost guarantee that these stocks will continue upward in a short time.

This bank is best

If there's one bank stock you should be considering during the market crash, it's **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD). While TD Bank's price-to-earnings ratio has sunk to 8.3 times, the bank is still much higher compared to other banks. That's because the bank has a history of being a conservative lender, so isn't likely to see as much volatility during today's downturn.

Meanwhile, TD Bank has been setting itself up for success. The bank is already tied for first as the country's largest bank by market capitalization. With the company's expansion into the United States, TD Bank is now one of the top 10 banks in the country.

The bank has only expanded in the northeast, so still has a lot more expansion potential. This exposure to the United States is fantastic news for investors, as the U.S. is likely to rebound far quicker than Canada.

TD Bank has also expanded into the credit card arena. The bank now has a number of credit cards in its portfolio, which could prove incredibly lucrative if managed properly. While some analysts believe the bank paid too much when bidding for these cards, the proof will be in the bank's future performance.

Bottom line

Clearly, the bank's earnings are down this quarter, which is likely to continue for the next quarter at the very least thanks to the market crash. But TD Bank is a strong stock with a history of steady share price increases. In the last decade, the bank has come up more than 200% in share price.

It also has the longest history of dividend payouts and is currently offering a yield of 5.76% as of writing. By next year, the bank should be fully recovered and on this steady path yet again.

Meanwhile, you'll have the bank's dividends coming in while you wait for the stock to grow once more. That leaves little opportunity to take advantage of these shares, which now trade at 1.2 times book value — a price not seen since 2009.

An investment of $60,000 today would get you 1,071 shares. Just a few months before the market crash, that would only have gotten you 770 shares. Those shares would bring in dividends of $3,384.36 per year.

If you reinvest them, it would take you only 20 years to reach $1,000,000 in your portfolio compared to 23 years at pre-crash prices.

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