



3 Stocks I Will Buy INSTANTLY in the Next Market Crash

Description

The stock market seems to be getting ahead of itself. Investor optimism is now so high that plenty of stocks are worth more now than before the coronavirus outbreak. Considering the state of the economy and the threat of a second wave, I believe another market crash can't be ruled out.

However, another market crash could finally make some exotic stocks trade at fair prices. Here are the top three stocks I'm ready to scoop up right away at much lower prices during the next market crash.

Shopify

The e-commerce giant wasn't just immune to this crash, it was propelled by it. With everyone confined to their homes, online shopping and spending surged to an all-time high. **Shopify Inc.** ([TSX:SHOP](#))([NYSE:SHOP](#)) capitalized on its position by doubling down on expansion.

The company rolled out a consumer app for shoppers to buy from it directly. It's also spending millions on creating its own fulfillment network (watch out, Bezos). Meanwhile, a major partnership with **Facebook** unlocks a [trillion-dollar opportunity](#) for the fledgling company.

Along with its merchant capital solutions and point-of-sale platform, Shopify could be a key player in a market worth \$3.5 trillion in 2019 and much more this year. In other words, Shopify could still be a multi-bagger and I'm waiting to buy some on the next dip.

At the moment, the stock is trading at an all-time high and a ridiculous 60 times forward sales. Despite the promise, I can't invest at this lofty valuation.

Restaurant Brands International

Another stock on my radar is quick-service food giant **Restaurant Brands** ([TSX:QSR](#))([NYSE:QSR](#)) . The growing popularity of Popeyes after they introduced a chicken sandwich and the expanding network of Burger King put this robust dividend stock on my radar.

However, what really caught my attention was Bill Ackman's decision to double down on his investment in the company. Ackman held over 6.6% of the company before the crisis and acquired another 3% during the market crash in March, 2020. He now controls just under 10% and is calling for a structural and management shake-up to unlock value.

If Ackman is successful, QSR could be one of the best dividend / growth opportunities of this year. The suppressed valuation puts a limit to the downside. It seems QSR is already attractively priced, but I wouldn't mind a bigger discount if the market crashes again.

At the moment, QSR trades at just 16 times trailing earnings and offers a reliable 3.25% dividend yield.

Absolute Software

Cybersecurity company **Absolute Software** had one of the quickest bounce backs in the recent market crash. The stock lost 31% of its value between February and March. Since March, it has surged over 85%.

Cybersecurity tools are absolutely essential as people work from home and companies scramble to protect their corporate data. There have been more cyber attacks over the past few months than in all of last year.

Meanwhile, Absolute has a robust balance sheet (low debt) and attractive cash flows (\$20 million over the past year).

I would certainly add some in the next market crash if the valuation declines.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:ABST (Absolute Software)
4. TSX:QSR (Restaurant Brands International Inc.)
5. TSX:SHOP (Shopify Inc.)

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