



Market Crash 2020: Your Chance to Make Millions

Description

We are way past the time when the market hit rock bottom and prices were at the all-time low. Some investors who managed to time the market perfectly, buying amazing stocks at all-time lows might have already doubled up their capital.

If you aren't one of them, don't worry. While you may not be able to get your capital to double in a matter of months or shorten to your "becoming a millionaire" timeline to a mere fraction, you can still benefit from the crash. There are plenty of stocks that are still trading low, and if you find the right ones, you could make millions.

An apartment REIT

Real estate is one of the sectors that experience trouble recovering, offering an amazing opportunity to value investors to bag decent growth by means of [a dividend stock](#) like **Killam Apartment REIT** (TSX:KMP). Killam is currently trading at three-fourth of its pre-crash price, at \$17.29 per share. In the first quarter, neither the company's revenue nor gross profit fell too much.

Before the crash, the stock grew over 120% in the past five years, displaying very consistent growth. Killam's current five-year CAGR is enough to convert your \$20,000 initial investment into a million dollars in about three decades.

The current yield is decent enough at 3.97%, which means you will earn an additional \$794 a year, even if the company never increases its dividends. The payout seems well covered under the regular income, with a ratio of 22.11%.

A financial aristocrat

Sunlife Financial ([TSX:SLF](#))([NYSE:SLF](#)) is currently trading at a 27% discount from its pre-pandemic value. It's a \$27.7 billion insurance company with a well-diversified global footprint and financial product portfolio. The company has low debt, especially given its scale, and has stellar ratings from

S&P and Moody's. It has offices in 27 markets and employs over 125,000 advisors.

Sunlife is also a Dividend Aristocrat, which, thanks to its low valuation, currently offers a juicy yield of 4.55%. So if you invest \$20,000 in the company, you will be earning \$910 a year in dividends if the company keeps increasing its dividends at the current rate of 7.12% a year — about \$1,750 a year in 30 years. The company grew its share price at 9.47% per year based on five-year CAGR, pre-pandemic.

At this rate, it can turn your \$20,000 into a million in 44 years.

An air travel-related company

CAE ([TSX:CAE](#))([NYSE:CAE](#)) isn't an airline *per se*, but it [operates in the](#) same sphere and is very closely connected to the airline business. This reflects in its current low valuation of \$21.8 per share, down 47% from its pre-crash value. While the company was a powerful Dividend Aristocrat, it had to suspend its dividends due to the pandemic situation.

Still, its low valuation, a diversified acquisition portfolio and solid growth prospects make it a very bargain buy. The company grew its market value by 175% in the past five years (before the pandemic), and if it can mimic that pace again after recovery, you could make a million dollars in just over two decades.

Foolish takeaway

Not all companies and stocks are millionaire makers, and even if you invest in companies that are rock solid from within, there is no guarantee that they won't be knocked off clean by another massive crash. That's why it's a good idea to diversify and mitigate your losses.

Even if it puts off your million dollar mark by a few years, it also reduces your chances of *not* making millions.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CAE (CAE Inc.)
2. TSX:CAE (CAE Inc.)
3. TSX:KMP.UN (Killam Apartment REIT)
4. TSX:SLF (Sun Life Financial Inc.)

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