



## Millennials: Top Tips for Bear Market Investing

### Description

Lately I've been getting a lot of people asking my [advice on investing](#). People in my life who, before the bear market, weren't all that interested in investing. Investing was boring. The markets steadily rose, with few opportunities to make a lot of money after the cannabis industry fell from grace. But today, people – especially millennials – come out of the woodwork to ask for financial advice.

While today might be scary for many investors, for millennials it's an exciting time. The bear market offers an opportunity to make a lot of quick cash. And now, millennials actually have the cash to spend! After being born in a recession, coming into the job market during a recession, we are now in our careers during a recession. We have debts owed, kids to pay for, cars to buy, and all of this needs money.

We also have a lot of money *saved*. In fact, four out of five millennial Canadians have at least some money saved. Yet only half of us invest! So, now's the time, right?

Though bear markets are the perfect time to invest, don't be quick to pull the trigger. Here are some tips to keep in mind before you dive into a bear market.

### Today's a gamble

If you're buying even a strong stock today, do *not* expect results right away. It's the Wild West out there. Although there's already been a market downturn, there are further downturns likely in the months and potentially years ahead.

But even after the bear market is over, paying attention to short-term movement isn't beneficial for anyone. All you'll see are the losses.

Instead, when you buy up stocks change your portfolio so you see monthly or even yearly movement. That way you will see the general trajectory of your investments. Over years, that will almost certainly be upwards. If you're a millennial, you'll see that growth for decades!

## Buy and hold

This brings me to the next point. You shouldn't be looking for short-term gains as a millennial, but long-term ones. Don't invest thinking you'll get rich quick. You won't, in all likelihood. Sure, there's always that one guy who invested in the right stock at the right time. You can't assume that'll be you.

Rather, as a millennial you want to find the best stocks to bring you predictability. That's predictable earnings, predictable outcomes, predictable share price, as much as you can. While nothing is *completely* predictable, there are companies that at least offer some sort of stability.

## Do your research

This is where I lose people. Everyone wants to just be told to buy a sure-thing stock and that's it. But you can't! You need to do your research, whether that's talking to a financial advisor or digging into the company fundamentals.

Right now is a great time to learn. See what top stocks have been doing over the last decade, and how those companies behave now. This should tell you where those same companies are headed in the future, and if it's worth your investment.

Some great options for millennials to consider are banks. Yes, that sounds crazy boring, but banks tick all the boxes. You'll see a downturn in the short term, but looking at banks over the last 30 years you'll see major increases.

Buying now means you're at risk of lower share prices in the near future, but holding onto them means you're almost certain to see huge gains from a predictable Big Six Bank. And of course, banks are super easy to research.

The best bank I would recommend right now has to be **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)). It's the largest bank by market capitalization, has \$1.5 trillion in assets and a potential upside of about 20% to reach pre-crash prices. So you're getting a bargain, with plenty of capital for the bank to fall back on. It also has [solid dividends](#) that increased during its latest earnings report.

## Bottom line

It's an exciting time to invest, but it can quickly turn scary. Keeping these tips in mind before investing means millennials can stay ahead of the game.

You'll know when to buy, when to sell, and keep your goals in mind for decades to come.

### CATEGORY

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