



A TSX Stock to Buy Before the Next Stock Market Crash

Description

There's no sense in trying to avoid taking on at least a bit of damage in the next stock market crash. Like it or not, it's coming. Nobody knows when it's going to happen or how hard it's going to be. All we can do, as investors, is be ready to roll with the punches as they come along.

If you're a [long-term investor](#) and not a trader looking to make a quick buck, don't let any random market strategist on TV convince you to make drastic moves with your portfolio at any given instance. Because odds are, you'll be acting on emotion, and if the talking head you're subscribing to is wrong, you'll have to buy back your stocks at higher prices.

Do re-balance. Don't overreact or try to time the next stock market crash

An overactive portfolio only stands to enrich the brokers. So, please don't feel the need to make moves unless it's time to re-balance your portfolio to better prepare for the risks ahead. With the **TSX Index** less than 10% away from pre-coronavirus stock market crash heights, now is as good a time as any to ask yourself if you're ready for another round in the ring with Mr. Market.

There's no telling how long this rally could last. Heck, I think there's a high chance that the TSX Index could find itself at fresh all-time highs by year end. But between now and then, we could face some turbulence. If you're up big on the hottest tech winners, it may make sense to take some profits off the table, as you look to beef-up your defences with resilient stocks that how a low price of admission amid today's market bounce back.

Enter **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)), a 4.8%-yielding [dividend stock](#) that probably won't make you rich quickly like some of the tech stocks have over the last several months.

The "Steady Eddie" defensive telecom stock can help you build wealth at an above-average rate over the long run, though. At the same time, the name can act as "shocks" for your portfolio when the inevitable bumps in the road come along. And whenever you can scoop up the stock at a lofty

discount, you can tilt the risk/reward trade-off that much more in your favour, regardless of when the next stock market crash will happen.

Today, Shaw looks severely unappreciated given it's one of the lowest-cost telecom providers that could benefit from belt-tightening amid the coronavirus recession.

Shaw Mobile: An overlooked growth driver that could keep Shaw afloat in the next stock market crash

The company recently pulled the curtain on its new wireless service Shaw Mobile, which is capable of offering extraordinary savings to Canadians on Shaw's internet plans. The value proposition offered by bundling Shaw's internet and mobile services could have the potential to be profound. Amid the unprecedented rise in unemployment, I think many British Columbians and Albertans (Shaw Mobile is only available in western Canada at the moment) won't think twice about making the switch to Shaw once their contracts expire through the year, even though Shaw Mobile may not be the highest-quality network in the world.

"By leveraging WiFi powered by Shaw's Fibre+ network rather than LTE data, many Shaw Mobile customers can realistically eliminate much of their monthly wireless data expense," said Shaw. "It's 2020, and Canadians expect to be connected all the time wherever they are. With Shaw Mobile, that doesn't have to mean large wireless data charges," Shaw said.

In many prior pieces, I've noted that Shaw's wireless service Freedom Mobile was what economists refer to as an "inferior service." Inferior goods and services tend to experience increased demand during times of economic hardship. As we fall further into the coronavirus recession, inferior could become superior. With the launch of Shaw Mobile, I think new subscriber adds could skyrocket into year-end and propel Shaw stock to \$30.

Foolish takeaway

Stock market crash or not, Shaw is probably headed higher from here. Shaw stock looks undervalued, and the Shaw Mobile launch has mostly gone under the radar.

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