3 Top Stocks I'm Buying, as Another Stock Market Crash Might Not Come in 2020

## Description

The sharp recovery in the equity indices around the world without the revival of the economy has led many to believe, including me, that the stock markets could crash again. However, the recent consolidation in the stock market, even amid the rising COVID-19 infections and weak economic data, suggests that the markets and the economy are no longer intertwined.



Had that been the case, the stock market would have crashed by now. Weak consumer sentiments, low oil prices, and a high unemployment rate with the pandemic still in the background indicate that we are heading towards a recession. However, the stock market doesn't care.

We may have been too pessimistic, and another stock market crash might never come in 2020. Further, with the economic activities gradually increasing around the world, and the race to bring a vaccine to the market heating up, the Canadian equity market could go higher from the current levels.

Amid such a scenario, I would suggest buying shares of the companies that are still down and offer healthy yields. Let's focus on three such stocks to maximize gains with little risk.

# Toronto-Dominion Bank

With its shares down over 13% year to date, **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD) offers both value and growth. Its attractive dividend yield makes it one of the top stocks for investors seeking steady income.

While low interest rates and higher provisions weighed on its bottom line, the bank has a history of producing strong earnings growth that supports its payouts. Investors should note that Toronto-Dominion Bank should continue to benefit from growth in its loans and deposits. Improved efficiency is likely to cushion its bottom line.

Investment in Toronto-Dominion Bank stock is likely to result in healthy capital appreciation. Moreover, investors are likely to benefit from its juicy 5% dividend yield.

## Enbridge

**Enbridge** (TSX:ENB)(NYSE:ENB) is another top stock to buy while it is trading low. Its shares are down more than 13% this year and offer a high yield of 7.3%. The company's diversified assets continue to generate steady EBITDA that supports its payouts and protects against lower mainline volumes amid the decline in crude oil prices.

Enbridge's low-risk and resilient business model and consistent dividend growth could boost your returns in the long run. The company expects liquid volumes to improve sequentially as economic activities pick up the pace.

## Air Canada

With a 66% year-to-date decline in its stock, **Air Canada** (TSX:AC) stock offers the best value to play the recovery in the stock market. While continued challenges are likely to restrict the upside in its stock in the near term, Air Canada stock has the potential to double your money as soon as passenger volumes improve and border restrictions are eased.



The rising infections and continued cash burn isn't a healthy sign for Air Canada. However, its strong liquidity position indicates that the airline company could easily survive the current crisis and fly high in the next two to three years. Investors with patience to hold the stock for long could benefit from strong recovery and hefty gains.

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3. TSX:AC (Air Canada)
4. TSX:ENB (Enbridge Inc.)
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