



AR: S&P500 at Record High! But the Canadian Market Sale Is Still On

Description

On August 19, the **S&P500 Index** reached a record high — erasing all the losses that it saw earlier this year due to the COVID-19 crisis. The U.S. stock market benchmark surpassed its previous all-time high of 3393.52 by a very narrow margin on Wednesday as it posted an intraday high of 3399.54.

At 11 AM ET on Friday, the index was hovering at 3388 — not far away from its record high. I believe the recent U.S. market gains could be unsustainable as they don't seem to reflect the overall damage the coronavirus has caused to the global economy.

The sale is still on for Canadian investors

U.S. stocks are at their record highs on the one hand; on the other, the **S&P/TSX Composite Index** — the Canadian stock market benchmark — is still way off its all-time high. While many Canadian stock investors might consider themselves unlucky, I find them extremely lucky, as they still stand a chance to buy some great stocks at lower levels.

Among **TSX60** stocks, **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) turned out to be the top gainer this week. The gold miner rose by nearly 10.4% during the week on the news of [Warren Buffett](#) led **Berkshire Hathaway** buying 20.9 million shares of Barrick Gold came out.

While Barrick Gold stock is trading close to its highest level in over a year, it is still far away from its all-time high of \$55.99. It presents an opportunity for Buffett's followers to buy the stock even now.

To new investors, I would recommend considering the shares of other gold producers such as **Agnico-Eagle Mines** and **Kirkland Lake Gold** instead. I find Agnico-Eagle and Kirkland Lake to be [offering much better value](#) for their investors as compared to Barrick Gold at the moment.

An excellent stock for regular income

Investors who are looking to generate a regular income might not find the

Enbridge generates most of its revenue from energy distribution services in the US and Canada. Apart from its strong long-term fundamentals, investors may find its solid 7.5% dividend yield really attractive.

Enbridge stock currently trades at \$43.05 per share at writing. Bay Street analysts expect Enbridge stock to rise by nearly 21% in the next 12 months with a consensus price target of \$52.07. I find this price target to be very conservative, though, and expect the stock to outperform analysts' expectations.

Nearly perfect retail stock for Canadian investors

Another great stock that investors can find worth buying right now is **Dollarama** ([TSX: DOL](#)). The Montréal-based dollars store retail chain remained open during the COVID-19 driven shutdowns. It helped the company to accelerate its overall business growth.

Despite the pandemic, analysts expect Dollarama's earnings in the ongoing fiscal year to remain stable and at par with the previous year. Dollarama stock has risen by 19% this year and could approach its all-time high of \$56.67 in the near term.

Unlike Enbridge, Dollarama doesn't offer attractive dividends. But investors looking for a growth stock — that can yield high returns in the long term — should definitely consider investing in Dollarama.

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