



## 2 Stocks to Buy if the Market Crashes Again

### Description

The markets are soaring, and they shouldn't be. Millions of people are out of work as job losses mount, some of them gone for good. The economy is not in as good a shape as the markets suggest it is, and that could mean it's only a matter of time before there's another crash. And if there is another market crash within the next 12 months, these are two stocks that could be scorching-hot buys if they drop in value.

### CIBC

**Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) is a top bank stock and a [safe long-term investment](#) you can put in your portfolio and forget about. At under \$100, it's still a cheap buy, trading at just 10 times earnings and just 1.1 times book value. And with its quarterly dividend payment of \$1.46, it's also yielding close to 6%. It's a great buy, but it's still a stock I can see going lower given the markets are due for a correction. During the March market crash, shares of CIBC cratered, falling below \$70.

However, I wouldn't hold out hope for the price to drop that low, because it may not happen again. However, it was only a few months ago that the stock was trading at \$80, and that could be the sweet spot where you're just greedy enough to buy CIBC shares and lock in a great yield, which at that point could be as high as 7.3%, without waiting for too big of a decline that you miss out on the opportunity completely.

It could be a rare chance to buy the stock at that price should it become available again, one that's not worth missing out on. It's a move that could pay off for years and that can produce significant capital gains in the years ahead.

### Kirkland Lake

Shares of **Kirkland Lake Gold** ([TSX:KL](#))([NYSE:KL](#)) are up 22% year to date, and this is another stock that should be investors' radars. The gold miner has benefited from rising gold prices this year, and

future quarters could continue to be strong. While you won't get much [dividend income](#) from this stock — its yield is just 1% — you could still earn some great capital gains from holding onto it.

In its most recent earnings results, Kirkland Lake's profits of \$150.2 million were up 44% year over year, as the company's financials got a boost last quarter from the acquisition of Detour Gold, which closed on January 31. However, with shares of the Kirkland Lake trading at 18 times earnings and a price-to-book multiple of three, the stock is a bit on the expensive side given that the company didn't record any notable organic growth in its most recent earnings.

Kirkland Lake shares fell as low as \$25.67 this year, but even if they dropped below \$50, the stock could be worth buying. A subsequent rally even up to \$60 would be enough to generate a return north of 20%.

## Bottom line

It's always good to have a plan in place in case there's another market crash. You don't want to be unprepared and miss out and what could be a terrific opportunity to score some amazing deals. These are two stocks worth keeping on your watchlist.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. TSX:CM (Canadian Imperial Bank of Commerce)

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