



## How I Invested my Money in the 2020 Stock Market Crash

### Description

It's not often that I write articles about my own investing decisions. Preferring to "play my cards close to the chest," I typically write content covering the markets broadly, without much thought to whether I personally own the stock(s) in question. Every now and then, I'll cover a stock that I personally own, but, for the most part, I stick to the stocks I think people are interested in, rather than the ones I like.

In this article, I'm going to do something different. In the interest of putting my money where my mouth is, I'm going to reveal how I invested my own money during the 2020 stock market crash. I'll reveal exactly what I invested in and when. For the most part, the plays I'm going to reveal here will be familiar to those who've read my past articles — since I mostly just doubled down on stocks I already owned. However, there is one new play I'm revealing here for the first time.

So, let's jump right into it.

### February: A new ETF

In February, I added a new ETF to my portfolio: the **Vanguard S&P 500 Index Fund** ([TSX:VFV](#))(NYSE:VOO). One of the world's [most popular index funds](#), it provides broad exposure to the U.S. equity markets. For a long time, I had been interested in buying the S&P 500. However, prior to the 2020 stock market crash, I felt that it was a little overpriced. According to *MacroTrends*, the S&P 500's P/E ratio was about 27 in January 2020. That's not *that* high, but higher than average. So, I held off on investing in it.

In February, however, I decided to pull the trigger. Seeing stocks sliding on emerging risk factors that I perceived to be temporary, I bought VOO in two lots: one with the S&P 500 down 5%, the other when it was down about 10%. In hindsight, these plays could have been timed better. But hindsight is always 20/20. And at any rate, I did manage to get in near the bottom with two picks I'm about to reveal.

### March: Adding to two old favourites

In March, I added to two of my favourite individual stock holdings: **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)) and **TD Bank** ([TSX:TD](#))([NYSE:TD](#)).

I managed to load up on CNR at basically the bottom, at about \$96. I figured that rail transportation wouldn't be hit too hard by the pandemic, since shipping is an essential industry that supplies mostly basic economic necessities. It is cyclical, but hardly anybody expects the current recession to last long.

CNR released two quarterly reports after I bought it. I was impressed with its Q1 results, which saw flat revenue and earnings up 31%, but was a little disappointed with Q2, which saw a marked earnings decline. Despite that, the stock has outperformed massively so far this year.

I have less to say about TD. Basically, I think that bank earnings during the pandemic haven't been as bad as they look. Accounting rules force banks to aggressively [estimate loan losses](#), and these estimates send earnings lower ... on paper. However, the estimated losses may not materialize. If they don't, then banks will be able to lower their PCL in the future, resulting in higher earnings. I'm predicting that this will happen with TD, and other banks, sooner or later.

## Looking ahead

That pretty much concludes my discussion of the stocks I bought during the 2020 stock market crash.

However, I think it's fitting to offer a final note on what I'm planning on doing in the future. With stocks now approaching (sometimes setting) all-time highs, there aren't as many bargains around. That said, I'm still looking. In the second half of 2020, I'm going to be taking a close look at tech stocks with enough growth potential to justify their premium asking prices. That second part is critical, since the entire sector is pretty expensive at this point. So far, I haven't identified any one tech stock I'm ready to pull the trigger on, but I'll keep looking.

## CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

## TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:TD (The Toronto-Dominion Bank)
3. NYSEMKT:VOO (Vanguard S&P 500 ETF)
4. TSX:CNR (Canadian National Railway Company)
5. TSX:TD (The Toronto-Dominion Bank)

## PARTNER-FEEDS

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