



Stock Market Crash Part 2: 1 Stock to Buy and 1 to Sell

Description

After months of recovery, economists are warning that another stock market crash [could be here](#) yet again. While a V-shaped recovery sounded great, it was just highly unlikely given the global situation. And I'm not just talking about the pandemic.

While the pandemic was certainly a factor, the stock market crash was predicted by various economists well beforehand. This comes from countries around the world taking on loads of debt. Once the pandemic hit, the markets crashed, and countries continued to pile on debt out of necessity. So, while the market might be recovering, the problem still remains. In fact, it could be years before we see a full recovery.

After coming up to heights not seen since February, the **TSX Composite** has started to drop. In the last month, it's come down about 5%. This could be a slower fall compared to March, but it's a fall nonetheless. The best thing you can do for your portfolio is prepare. To do that, I would consider buying one stock and selling another.

Buy: Docebo

Docebo ([TSX:DCBO](#)) has become the darling of investors during the pandemic. The [tech sector](#) as a whole has become quite the defensive play in these tough times. The work-from-home economy is booming, with e-commerce taking strides not predicted for years. Docebo played right into this, with shares in Docebo stock more than doubling since its initial public offering (IPO) back in January.

That's because businesses see the value in Docebo, even before the pandemic, but now more than ever. The company is a software-as-a-service (SaaS) company that provides a learning management system (LMS) using artificial intelligence. Companies can train employees around the world using this LMS, so remote workers can have the same tools as in-office employees. Now it doesn't matter where your employees work, but what they know.

The company has more than 2,000 companies using the LMS in over 68 countries. Some of these clients are heavy hitters, such as **Amazon** Web Services, which uses Docebo as well. The company

was already doing well before the pandemic, but with people forced to work from home, companies need Docebo more than ever. There is still a lot of room for growth from this company, so it's definitely my buy to consider.

Sell: Air Canada

I'm of two minds on **Air Canada** ([TSX:AC](#)). If you have time to wait, then wait. But if you need your investments to perform, Air Canada simply won't give that to you — not for years and years. That's due to a number of factors. While I don't believe it will go bankrupt, I don't believe it can make up the debt it's taken on for at least a decade.

The pandemic severely hurt Air Canada. The company had already taken on huge amounts of debt buying up Aeroplan, Air Transat, and a new fleet of fuel-efficient airplanes. The pandemic made it impossible to pay back those debts, and even with airplanes in the air once more, people simply aren't willing or able to travel. There are still restrictions, and there could be lockdowns in place once more. The stock is still down over 55% in the last year.

Clearly, it's simply not a great time to invest in Air Canada. If you have the patience, wait it out. But with another stock market crash coming in, and more down the line, Air Canada stock isn't a great option right now. Instead, look at a company that could be a defensive play during these crashes, and hold onto those until there are signs of recovery. Then maybe given Air Canada another look.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. TSX:AC (Air Canada)
2. TSX:DCBO (Docebo Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Coronavirus
2. Investing

Date

2025/09/10

Date Created

2020/09/18

Author
alegatewolfe

default watermark

default watermark