



## Stock Market Crash: Watch This 1 TSX Stock for a Sign

### Description

With big rallies comes great risk — especially when one black swan event after another keeps getting dumped on the markets. Not only is Canada still in the thick of the pandemic, but recent good news about a vaccine could be turning sour already.

### Hold off on that vaccine bullishness (for now)

This market really doesn't need rattling. From a hotly contested U.S. election to an ongoing public health crisis, the last thing that investors need right now are more shocks to the system. All of this makes the **Pfizer** ([NYSE:PFE](#)) CEO's stock sale this week potentially unnerving.

Of course, the fact that the sale of US\$5.6 million worth of stock was apparently legal might not end up mattering all that much to investors. After a U.S. election cycle typified by sometimes outlandish hyperbole, the North American public is still operating at peak cynicism.

That Pfizer's COVID-19 vaccine candidate reportedly has to be [stored at -70 degrees Celsius](#) could also spell trouble for market bullishness. In short, such considerations could preclude easy and widespread distribution. As an international option, then, the cost of rolling out such a vaccine may ringfence its usefulness.

However, so welcome was Monday's vaccine news that even the U.S. election got bumped from the front page. Some high-risk TSX names rocketed Monday — some, like **Suncor** ([TSX:SU](#))([NYSE:SU](#)), by record percentages. But in the current investing climate, such rallies are dangerous. All of the above makes the current market exceptionally precarious.

### A key TSX stock to build on the way down

If there's anything that the markets like less than surprises, it's doubt. Uncertainty is like Kryptonite to equities. Doubt, that insidious cousin of uncertainty, is even worse. If investors doubt whether the Pfizer stock sale was kosher, they may doubt other things about the vaccine, too. And that doubt could

prove exceptionally bad for the markets, regardless of whether or not that doubt is warranted.

So, let's return to Suncor, seeing as it rallied hard at a time when it [should really have been suffering](#). Its standing as a top-tier hydrocarbon stock makes it as good a bellwether as any. On average, Suncor had gained 21.8% over the five days of trading previous to that stock sale news. Suncor quickly hit a plateau of around \$19, which it still enjoyed Tuesday night. That's 36% higher than its 12-month low.

Wednesday still saw Suncor investors oblivious to danger. Up by around 1% before noon, investor sentiment hadn't yet shown signs of reversing. By Thursday, Suncor was still sitting on the majority of its gains, with a five-day lead of 20%. However, investors were beginning to cool off, and the stock was down 3% before midday.

But the downside to this market is all but assured. To a contrarian investor, all of this makes Suncor a key stock to buy on weakness. But don't try to time the bottom over the next week. Instead, buy shares in small amounts to reduce capital risk while making the most of a deteriorating market.

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