



TSX Stocks: Now That the Election Is Over, Here's the Big Market Catalyst

Description

Now that the election is finally over and the market has cooled off after the vaccine news, investors can finally look forward. The market now has an idea of what to expect and what is coming next. Over the next few weeks, there will be significant shifts as investors buy and sell **TSX** stocks to reposition their portfolios for what they expect the future to look like.

So it's time to look forward. Not just to the end of the pandemic, but also over the course of the next four years, now that we know Joe Biden will be President.

Plus, in addition to the [vaccine news](#) and election results moving the market, earnings season is also creating a lot of activity. And when **TSX** stocks move this much, it creates some exciting and opportunities for investors.

However, just around the corner, it will be time for investors to begin tax-loss selling and setting up their portfolios for 2021.

This means that the volatile 2020 is not over yet, and there is still a tonne of high-quality opportunities for investors before the year is out.

Tax-loss selling

It's no secret that taxes are one of the biggest expenses and what can impact your investment performance the most. That's why it's so crucial that investors set up a strategy to minimize paying taxes.

Usually, this means investing in registered accounts first, such as a Tax-Free Savings Account (TFSA) or RRSP. However, there will come a time when you may have to invest outside those accounts if you have maxed out the contribution room.

That's where important tax planning comes in, where you'll want to take advantage of tax-loss selling.

Every year, investors offload TSX stocks that have lost value throughout the year to offset that tax loss with some capital gains that they may have incurred.

That's why it's so crucial. If you happen to own a stock that's underperformed and you're looking to offload it, you could offset that loss against your gains to reduce your capital gains taxes.

However, even if you don't need to tax loss sell because you have no losing stocks or are invested in a registered account, it doesn't mean you don't need to pay attention.

When enough investors are selling TSX stocks for tax purposes, they have the ability to move the market. Therefore, investors should be cognizant there could be tax loss selling going on over the next few weeks.

Opportunities to buy cheap TSX stocks

Because we know investors are going to likely offload some of their worst-performing stocks, we can look at which stocks have had the biggest drops in 2020 and act accordingly.

This means some of those distressed TSX stocks like **Cineplex**, could become even cheaper over the next few weeks and offer long-term investors a major opportunity.

[Cineplex](#) investors have had a rough 2020. After the company's deal to be acquired fell through, the stock was hammered, and the business suffered greatly due to the pandemic.

We have seen this once again recently as the second wave forces several shutdowns, making Cineplex a prime stock that investors may want to be done with to offset some capital gains taxes.

When many investors sell off these TSX stocks, they will inevitably get cheaper, creating an ultra-cheap investment for long-term investors willing to wait for a recovery.

So make sure to do your homework now and watch the markets like a hawk over the next few weeks. There could be some once-in-a-lifetime opportunities presenting themselves shortly.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. TSX:CGX (Cineplex Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
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5. Quote Media
6. Sharewise
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