

Market Crash 2.0: Drip Feed Into These Cheap Shares and Make Millions!

Description

Canadian investors may think the worst is behind them. It would be believable, looking at stock market performance. People are greedy right now, and as the great Warren Buffett says, "Be greedy when others are fearful, and fearful when others are greedy."

So here's the problem today. There is market euphoria with news of a vaccine. However, a vaccine is very unlikely to be widely available to the public at large for another year. Only those who need the vaccine immediately are likely to receive it in the next few months, which means COVID-19 will continue to grow in numbers. This could severely hurt our economy by the new year.

Some cities have already moved into the red stage, where there are severe restrictions on citizens. If there are multiple lockdowns, Canadian businesses could be stuck back where we were in March. This will hurt earnings, and in turn cause could cause another market crash by March at the latest.

So, what are investors to do? There is definitely a way to make millions come the next market crash. However, you can also prepare now. All you need is to start the drip feed method.

What is drip feeding?

Drip feeding is the easier way of buying up shares. Right now, Canadians need cash available. So instead of taking the thousands you've potentially saved and putting into a bunch of shares all at once, do it slowly. Every now and again, have a few stocks on your watch list and slowly buy up shares depending on performance. Overall the trend should be upwards, but if there's a dip, buy it up!

I'm not saying you shouldn't buy during a market crash — by all means do so! But at least you won't miss out on an opportunity to buy up cheap shares while shares are still cheap. A great strategy is to use 10% of each paycheque and once a month, at the right time, buy up some of these cheap shares.

How to make millions

While it's all well and good to buy up cheap shares, that doesn't mean you'll make millions. There are cheap shares in the airline industry, for example, but it could be years or even decades before a full rebound. That means you may see your cheap shares become even cheaper in the next few years.

Rather, you need to find an industry that is set to continue soaring. In another <u>article</u>, I suggested the healthcare industry as a great option. It still is, but another option to watch out for is still the tech industry.

Depending where you look, there are companies that are set to continue soaring in the next few decades. These companies provide necessities in the world of tech, like supply-chain management or artificial intelligence. So let's look at two solid options.

Millionaire makers

If you're looking for two cheap stocks that should soar in the next few decades, I would recommend **Real Matters Inc.** (TSX:REAL) and **Celestica Inc.** (TSX:CLS)(NYSE:CLS). Real Matters provides network services for mortgage lenders and insurance companies. If there's one area that's certainly not going anywhere, it's companies that offer loans.

Revenue and gross margins continue to rise year over year, with a price to book ratio (P/B) of 6.2 times, that makes this stock incredibly cheap. Shares are still up 37.6% from the beginning of the year, and 105% in the last five years, but down since the highs seen August. So buy up this stock before it jumps again!

Celestica offers electronics manufacturing services, from design to sales, with 39% of revenue coming from Advanced Technology Solutions and 40% from cloud and connectivity solutions. These industries will continue to demand companies like Celestica, with the work from home economy booming over the last several months.

That's why shares are only down about 3.5% as of writing, and nearing pre-crash levels. So there's likely little time to buy up these shares at a discount, but even so these cheap shares will continue to climb towards levels not witnessed since the internet bubble burst!

CATEGORY

- 1. Coronavirus
- 2. Investing

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- 1. NYSE:CLS (Celestica Inc.)
- 2. TSX:CLS (Celestica Inc.)
- 3. TSX:REAL (Real Matters Inc.)

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