



Market Crash 2021: 2 Top Stocks for TFSA Investors

Description

The 2021 trading year started out with a pullback. Analysts say the risk of a major correction is real, and we might even see a new market crash in 2021.

Top stocks to buy in a 2021 market crash

Investors who missed the 2020 buying opportunity might get another chance to buy top Canadian stocks at discounted prices. In fact, several [industry leaders](#) already appear cheap and could become oversold on continued weakness in the market. Investors with some cash available to take advantage of the \$6,000 TFSA limit in 2021 might want to consider the following stocks for their portfolios.

Is Brookfield Asset Management a top market crash pick?

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) just [announced a bid](#) to take its real estate subsidiary, **Brookfield Property Partners**, private. The move comes as Brookfield Asset Management searches for ways to deploy a \$75 billion war chest of company and client funds.

Management says the property group trades at a discount to net asset value. Shopping malls, hotels, office properties, and student housing all make up part of the portfolio. These businesses struggled in 2020 and will continue to face headwinds until the pandemic ends.

The move makes sense right now while the real estate industry is under pressure. Record-low interest rates appear set to remain in place for some time. This should push up the value of real estate assets that generate reliable cash flow once travelers can fly again and workers return to corporate office towers.

Brookfield Asset Management also has infrastructure and renewable power assets that are attractive in a low-rate environment. The stock is a great way for retail investors to buy a stake in global assets that would otherwise be out of reach.

The share price rallied from \$40 to \$55 in November but has drifted lower in the past few weeks. At the time of writing, Brookfield Asset Management trades near \$50. A move back to \$45 is possible in the near term. That would be a good point for buy-and-hold TFSA investors to start nibbling on the stock.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is a major player in the North American energy infrastructure industry with \$100 billion in total assets. The company gets nearly 95% of comparable EBITDA from regulated assets or long-term contracts. This means cash flow should be reliable and relatively predictable.

The [Q3 results](#) showed the quality of the assets in a difficult year. TC Energy reported Q3 net income of \$904 million in the quarter compared to \$739 million in the same period last year.

The Keystone XL project in the U.S. might get cancelled if Joe Biden decides to follow through on a campaign promise and revoke the existing presidential permit for the pipeline. This might be why TC Energy's share price trades near its 12-month lows. At the time of writing, TFSA investors can buy the stock for close to \$52 and pick up a 6% yield.

Keystone is important, but it is just one part of TC Energy's \$37 billion in secured capital projects.

A market correction could push the stock below \$50. This would be a great opportunity for dividend investors to add TC Energy to their TFSA portfolios. The board intends to raise the dividend by 8-10% in 2021 and by 5-7% per year over the long term. That's great guidance.

The bottom line

Whether we see a major correction or full-blown a market crash in 2021 is anyone's guess. One thing we all know is that meaningful dips provide great buy-and-hold opportunities. Brookfield Asset Management and TC Energy already appear cheap today and deserve to be on your TFSA radar.

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2. Investing

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2. NYSE:TRP (Tc Energy)
3. TSX:BN (Brookfield)
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