



Market Crash 2021: 5 Top Canadian Stocks to Buy on a Pullback

Description

Stock euphoria might lead to a significant correction or even another market crash in the first half of 2021. The pullback would give TFSA and [RRSP](#) investors a great opportunity to add these top Canadian stocks to their portfolios.

Is Bank of Nova Scotia a top bank pick in a market crash?

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is Canada's third-largest bank by market capitalization. The stock picked up a nice tailwind at the end of 2020 after trailing its peers in the rally but could sell off heavily on the next correction. Bank of Nova Scotia's large international operations took a big hit last year, and the economic situation remains challenging in the core Pacific Alliance countries of Mexico, Peru, Chile, and Colombia.

The international group should recover strongly once the pandemic ends. Major fiscal stimulus measures in the United States, Europe, and China will support an economic rebound across the Pacific Alliance market, as these countries benefit from strong oil and copper prices.

Bank of Nova Scotia already offers a 5.3% dividend yield at the current stock price near \$68 per share, so you get paid well to ride out the downturn even at this level. A drop to \$60 is possible and would be an attractive entry point for Bank of Nova Scotia stock.

Could Teck Resources stock soar in 2021?

Teck Resources ([TSX:TECK.B](#))([NYSE:TECK](#)) produces copper, zinc, and steel-making coal. This is another bet on countries spending trillions of dollars on infrastructure and renewable energy projects.

Teck is a cyclical stock. You want to buy the shares in the early stages of a global economic rebound and book profits before commodity markets peak. The stock already added decent gains off the 2020 lows, but more upside should be on the way. Teck trades near \$24 at the time of writing. A pullback to \$20 on a new market crash would be a good buying opportunity. It wouldn't be a surprise to see Teck

stock top \$30 by the end of the year.

Should you buy BCE stock on the next market crash?

BCE ([TSX:BCE](#))([NYSE:BCE](#)) trades near \$55 right now and provides a 6% dividend yield. The share price already appears cheap. BCE stock fetched \$65 before the pandemic. The media division had a rough run in 2020. The first part of this year will also be difficult, but things will eventually get back to normal.

The expansion of 5G networks gives BCE new revenue opportunities. Low interest rates should help the company fund capital programs and reduce borrowing costs. Any weakness in the stock from the current level should be viewed as a good opportunity to buy BCE.

Is Suncor stock oversold?

Oil prices recovered significantly in recent months and could drift higher through the rest of this year. [Fuel demand](#) is expected to steadily bounce back, as COVID vaccinations enable countries to remove lockdowns and eventually lift travel restrictions.

Suncor ([TSX:SU](#))([NYSE:SU](#)) trades near \$23 per share compared to \$45 last January. The stock is up considerably since November but still appears [cheap](#) for buy-and-hold investors. It wouldn't be a surprise to see the stock slide back to \$20 in the near term on a correction or a new market crash. That would be an attractive point to buy. Two years from now, the stock could easily be above \$40.

Why Nutrien stock deserves to be on your buy list?

Nutrien ([TSX:NTR](#))([NYSE:NTR](#)) produces potash, nitrogen, and phosphate. These crop nutrients help farmers get better yields from their fields.

Analysts predict global potash shipments will hit record levels in 2021. Higher prices for corn and soybeans in 2020 and expectations for strong markets this year could boost production. As a result, Nutrien should have a good year.

The long-term outlook is also positive. The world population is expected to rise from 7.8 billion in 2020 to 10 billion by 2050. That means much higher food demand.

Nutrien trades near \$65 per share. A dip to \$60 might occur in a broad-based market correction. The stock already appears cheap and could take a run at \$100 by the end of 2022.

The bottom line

A market crash in 2021 is not guaranteed, but investors should keep some powder dry to take advantage of any major market correction. These stocks are solid picks and should deliver attractive returns, as the global economy rebounds through this year and into 2022.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:NTR (Nutrien)
4. NYSE:TECK (Teck Resources Limited)
5. TSX:BCE (BCE Inc.)
6. TSX:BNS (Bank Of Nova Scotia)
7. TSX:NTR (Nutrien)
8. TSX:TECK.B (Teck Resources Limited)

PARTNER-FEEDS

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

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/09/08

Date Created

2021/01/12

Author

aswalker

default watermark

default watermark