



## Stock Market Crash 2021: Get Ready for the Opportunity

### Description

Heading into 2021, many investors expect the stock market to crash this year. Several stock indices are at all-time highs, yet uncertainty remains elevated. Many expected the vaccine news to be positive. However, after an initial bump to markets, reality is now hitting investors.

It's going to take a long time to get everyone vaccinated. And with many businesses as well as employees not having the time to wait for the economy to be fully reopened and everyone vaccinated, there is a strong potential for more economic issues later this year.

The results will be anyone's guess. The market could crash; however, it's more likely that the government will bail out the economy with stimulus again. Then there's still the possibility some other black swan event causes the market to crash.

And while most investors fear the potential of a stock market crash developing, long-term investors will welcome it.

### Why you should welcome a market crash

Stock market crashes are almost always based on short-term fear. Some type of black swan event happens, and the fear that materializes in financial markets creates a downward spiral of selling, which leads to a rapid loss of value in stocks.

This fear multiplies rapidly, and soon some of the best stocks trade at significant bargains. March 2020 was a perfect example. Those investors who were committed to long-term investing and buying as stocks were crashing have been rewarded handsomely.

There's never any guarantee that the market will bounce back quickly like it did in the pandemic. That's why you need to be committed to the long-term.

Ask yourself, is the company I'm buying going to be around 10 years from now? Will it have a bigger market share and continue to dominate the market?

If the answer is yes, then you'll want to take advantage of the discount while it still exists.

## Two stocks to buy in a market crash

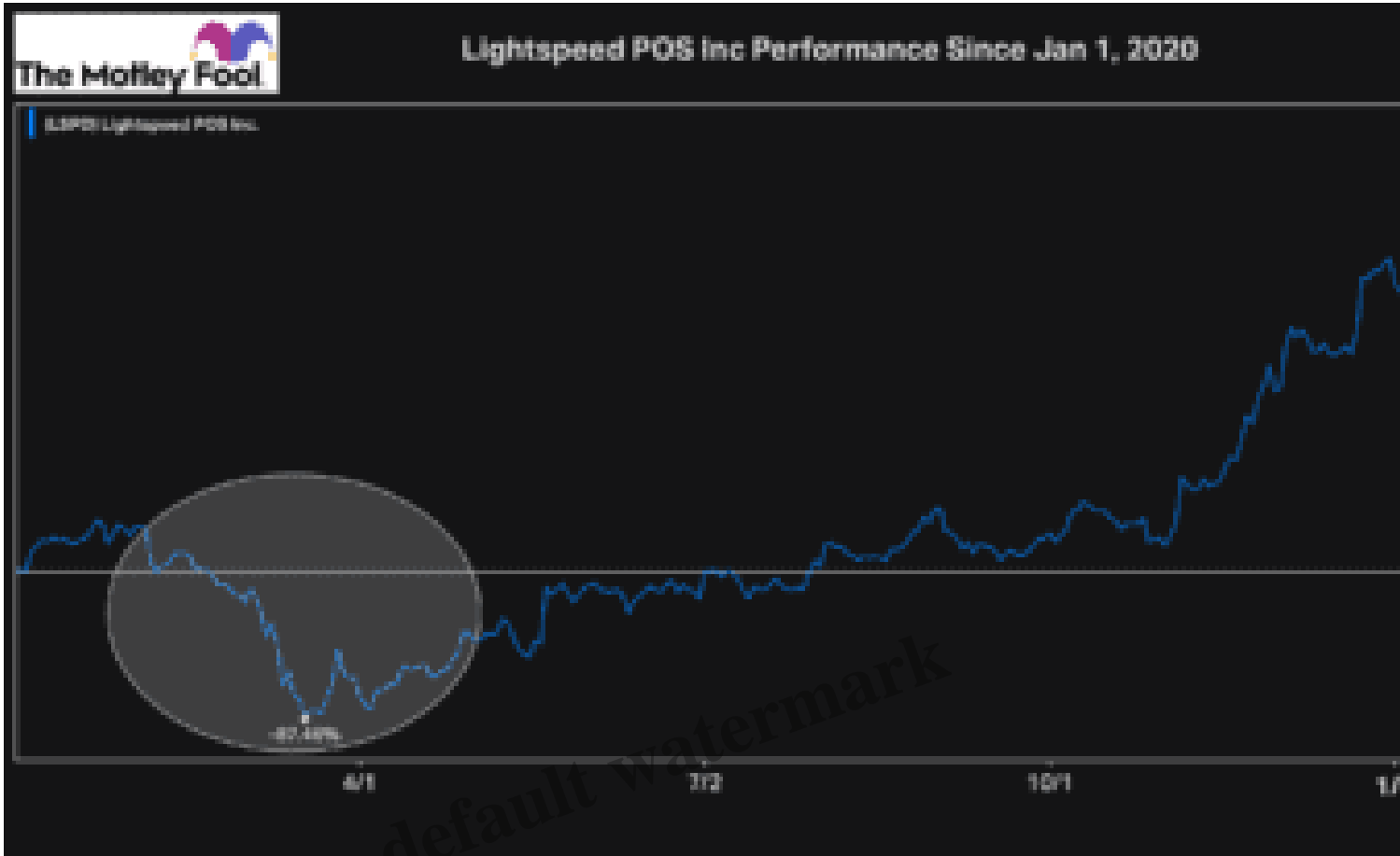
Several stocks will look attractive in a market crash. The best stocks to buy, though, are the highest-quality businesses. Of course, you always want to buy high-quality businesses. However, these companies will traditionally trade at a premium, so buying them at a bargain in a market crash is even more appealing.

An example of a couple top stocks I would be eager to buy in a market crash are businesses like **Canadian National Railway** or **Lightspeed POS Inc.**

[Canadian National Railway](#) is one of the best long-term core stocks you can own. The company is at the heart of the North American economy, making it highly stable. Plus, it grows with the economy over the long-term, which is why it's such a high-quality stock for the core of your portfolio.

[Lightspeed](#), on the other hand, is a rapidly growing tech stock. These businesses have tonnes of potential when markets are favourable. However, you can see in the last market crash that the stock tanked severely.

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Lightspeed lost two-thirds of its value between the start of the year and its bottom in March. This shows what a perfect opportunity stock market crashes create to buy long-term growth stocks like Lightspeed.

It also shows that investors who held the stock beforehand and didn't sell have also been well rewarded. That's why it's so crucial you don't panic in a stock market crash.

## Bottom line

During a stock market crash, there will be several stocks trading for incredible discounts. In order to get the most bang for your buck, though, you'll want to buy the highest quality businesses.

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