



The 3 Most Popular Stocks of 2020

Description

The stock market isn't exactly a popularity contest, but in some ways it is. While you might think most investors will stay with sure-thing types, hardly any investor can resist momentum. That's where popularity comes in. That's not to say that there aren't stocks out there that deserve the attention, but not all stocks in a popular industry do.

That's why I'm going to take a look at the most popular stocks of 2020 and see whether each deserves the attention.

TD Bank

One of the most popular stocks investors looked at this [year](#) was **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)). The bank is tied for first as the largest bank on the Canadian stock market by market capitalization. It's been growing into more lucrative sectors such as wealth and commercial management and into the United States, where it's one of the top 10 banks in the country.

The company continues to be hit rather hard by the pandemic and economic downturn, and that's not likely to change any time soon. However, if you're looking to buy and hold a stock, it doesn't get much better than TD Bank. Shares are up 6% in the last year, and 186% in the last decade for a compound annual growth rate (CAGR) of 18.6%! It also sports a 4.17% dividend yield at writing that will help as times continue to be tough.

Enbridge

Another stock that doesn't come as too much of a surprise is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). Enbridge has had a rough couple of years, but this last year saw a bit of a shift. After the market crash in 2020, it looked like the stock might actually start to rebound. This was as it shifted to getting production rolling again on its pipeline projects.

But investors seemed really interested mainly for the same reason as TD Bank: stability. Even without

its growth projects, the company has long-term contracts that will keep cash coming in for several decades. So, investors wanting stability in a time of volatility are good to hold this stock. Now that shares are finally rising again, that's an added bonus. While oil and gas might not be ideal at the moment, it's a great industry to get a deal as it rebounds in the next few years. And it *will* rebound. Shares are currently down 9% compared to the same time last year but up 149% in the last decade for a CAGR of 14.9% and a dividend yield of 7.6% at writing.

Air Canada

One of the most popular stocks out there that remains a conundrum has to be **Air Canada** ([TSX:AC](#)). The company had a huge comeback in the last decade only to be completely destroyed by the pandemic. Even now with huge restrictions, revenue is at its lowest. Yet any good news seems to give this stock a boost, so what gives?

[Hope](#) springs eternal. The company is *hopefully* going to see a bailout from the government. It's *hopefully* going to see returns from its reinvestment in fuel-efficient aircrafts. It's also *hopefully* going to see more income from buying back Aeroplan. It was well on the way towards skyrocketing shares before, so investors are hoping that happens again in the next few years, and it could. But with more layoffs and over \$13 billion in debt, it doesn't look like that will happen any time soon. Shares are down 54% as of writing but 638% in the last decade from those investments.

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1. Coronavirus
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2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:AC (Air Canada)
4. TSX:ENB (Enbridge Inc.)
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