



## The Next Stock Market Crash: Your Chance to Make Millions

### Description

Investors refer to the sudden dramatic decline of stock prices as a market crash. Usually, it's a double-digit percentage drop in a stock index. The Toronto Stock Exchange (TSX) fell 12.34% on March 12, 2020, its biggest single-day decline since 1940. Six days later, the index sunk further to 11,228.50.

Canada's primary stock market showed resiliency and has rebounded since to close at 17,443.40 on year-end. The TSX rally extends in the new year and is at 18,042 on February 4, 2021. Now, people are talking about another market crash, because the coronavirus is still around and mutating.

The more lethal COVID variants can shake the market, although [no one can predict](#) if a catastrophic event similar to March 2020 will happen. Some investors will panic at the news and rush to sell. For others, it could be a chance to make more money, even millions, during a market crash.

### The unchanging formula for success

Several factors or market anomalies cause stock prices to rise and fall. However, it doesn't mean you must invest only when the market is rising. Many investors, including Warren Buffett, have made a fortune during market crashes. The billionaire investor once said, "Buy when the blood is on the streets." His advice is simple — buy when everyone sells and buy at low prices.

Understand the market dynamics. Stock market corrections are quite common events, and it's possible to earn with them. According to Buffett, the key is to [invest in firms that hold up better under stress](#). The depressed share prices of good businesses will inevitably increase in the long term.

Historically, stock markets go up or tend to go up after declines. Some investors who resort to panic selling lose quite a bit of money often instead of waiting for a rebound. Long-term investors do nothing because a market crash is a non-issue to them. Sometimes, it's better to shun the noise and focus on your financial goals.

## Some businesses will thrive

COVID-19 decapitated the air travel industry. **Air Canada**, the last decade's top-performing stock, is now a risky option. On the contrary, **Cargojet** ([TSX:CJT](#)) was a winning stock in 2020. The \$3.37 billion provider of air cargo services rewarded investors with a 109.37% last year.

As of February 4, 2021, Cargojet shares trade at \$216.06 and pay a modest 0.42%. However, the capital appreciation was incredible. A person who invested \$347,035 when the price tanked to \$74.98 on March 18, 2020, is a millionaire today. The windfall is a massive \$652,970.

Cargojet was flying under the radar until coronavirus came. The stock attracted investor attention after the pandemic virtually killed passenger travel demand and boosted the air cargo transport business. Aside from preventing disruption in the supply chain, the company was benefiting from the e-commerce explosion.

Market analysts are bullish on Cargojet this year. Air Canada could be a threat if it moves to freight services. However, Cargojet has a foothold with a 90% market share. The air cargo business should remain buoyant in 2021 and beyond.

## Right time and right place

Many investors still make money during downturns. In 2020, some companies even flourished. Cargojet was one of them, and it now has an economic moat due to the COVID-induced market crash.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:CJT (Cargojet Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
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6. Sharewise
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