
How to Get Rich From the 2021 Stock Market Rally

### Description

People plough money in the stock market to make more money. Some would even invest a substantial portion of their salaries in equities and let it compound for years. Understand, however, the market is more volatile than safe. But if you know how it behaves, you'll get rich eventually.



The **TSX** survived the COVID-19 induced market sell-off in March 2020. Despite the elevated volatility due to the spreading coronavirus, investors didn't run away. No one can outlast volatility, but you can take advantage while stock prices are depressed.

## The right mindset

You must have the right mindset when you enter the stock market. If the intention is to get rich, take the long view and get rid of the get-rich-quick mentality. The usual scenario is that the market declines then recovers. However, during a declining market, some will panic and sell to actualize their losses.

People with investment horizons of 10 to 20 years can ride the market's ups and downs. Also, you're reducing the risk at the same time. It's better to invest in stocks for the long term, although it requires patience. With the pandemic still around, expect the market to remain volatile a lot more.

## Investment choice

Your success in the stock market depends largely on your investment choices. Some financial advisors will advise regular investors against investing based on greed or fear of missing out. Don't rush into the market to follow the crowd. Familiarize yourself with the features and risks of the investment prospects.

Choose companies that can ride out storms and economic downturns. The third or fourth wave of COVID infections is a big test. Will the threat be for the short or long term? The TSX could decline again but should recover as it did in 2020. The rally could be another opportunity to get rich.

## Impressive rally

Investors thought **Restaurant Brands International** (TSX:QSR)(NYSE:QSR) was doomed because shutdowns crippled operations. However, the iconic quick-service restaurant chain beat the odds.

The current share price of Restaurant Brands is $82.01. A year ago, at the height of the pandemic, the restaurant stock traded at $51.57, or 59% lower. The company pays a 3.26% dividend, so the potential earning is two-pronged, capital appreciation and dividends.

Remember, the $25.06 billion conglomerate operates three of the world's most popular brands. Burger King, Tim Hortons, and Popeyes Louisiana Kitchen are renowned worldwide. Popeyes' chicken sandwich is the hottest item in the fast-food industry today.

Restaurant Brands has a durable moat because of the trio. The stock's rally in 2020 was remarkable indeed. A mediocre business would have folded up during the carnage. Furthermore, I believe Restaurant Brands has a good grasp of how to see decent growth and adapt to the changing restaurant landscape.

Management ensures that not one of the brands depart from the uniform operating standards and specifications. Thus, product quality is consistent anywhere. Consumer spending should return to normal when restrictions relax. The top-performing brands would be ready with new product offerings for budget-conscious customers.



## Bull over bear

Many prefer a bull market to a bear market because stock prices rise faster than the overall average rate. Restaurant Brands is a shining example of a fast recovery and magnificent bull run following a severe market correction.

**CATEGORY**

1. Dividend Stocks
2. Investing

**TICKERS GLOBAL**

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2. TSX:QSR (Restaurant Brands International Inc.)

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**Date**
2025/07/02
**Date Created**
2021/04/08
**Author**
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