RRSP Investors: Top Stock Pick on Sale After the Stock Market Correction

Description

[RRSP investors]() have a tough task ahead of them, with a second half of the year that could be just as bad as the first. The first half of 2022 could be the worst since the 1970s. Inflation is just as problematic as it was back then, and with central banks likely to induce a recession to make up for a potential monetary policy mistake made in 2020, things seem very grim.

Though the second half could be more of the same, I'd urge RRSP and TFSA investors to resist making near-term projections. Yes, you'll find a ton of forecasts from the confident talking heads on television. However, for every bullish forecast, you'll find plenty more bearish ones. Before you buy into any single prediction, though, you should know that few folks were able to forecast the bear market of 2022 in 2021 (perhaps with the exception of Dr. Michael Burry) when times were good, even euphoric for new investors.

Indeed, Burry is standing by his bearish forecast, with a consumer recession in the cards by year's end. Other bulls on the Street think markets could bounce back past their highs. Indeed, it's difficult to know who to trust at a time like this. For investors, I'd urge you not to buy into any near-term predictions at all.

Remember, most analysts lowered the bar on their price targets well after stocks lost considerable amounts of their value. Once the tides turn, I expect analysts to raise the bar on their price targets higher after already sizeable runs.

RRSP investors: Stay the course amid a market correction!

Like it or not, nobody can time markets over the course of months. It could go either way. What we do know is that stocks tend to go up over the long run and that we're closer to a bottom than we were at the start of the year! Further, investor losses tend to hurt a heck of a lot more than gains of a similar magnitude. Given this, stocks tend to overshoot to the downside when investors are gripped with fear and losses mount, especially for those new investors who dared invest on a margin.

Given these facts, investing in stocks today seems like a far better proposition than at the beginning of the year. Inflation is higher, so the risks of holding cash are higher. Though perceived risks of investing in stocks are also higher, given the magnitude of downside in the rear-view, I'd argue that risks are lower than they were when stocks were multitudes higher than where they were today back in December 2021.

That's why I'm inclined to buy the dip, even as bears yell to get out.

Quebecor: A dividend disruptor in the making?

Currently, I'm a big fan of **Quebecor** (TSX:QBR.B) as it embarks on a journey to become more competitive with its three bigger brothers in the Canadian telecom scene.

Quebecor is a mid-cap with a $6.66 billion market cap. It's lesser known to non-Quebecers and has gone under the radar of most savvy dividend investors. Though Quebecor is an underdog, I believe it can disrupt the triopoly in Canada's telecom scene, especially after acquiring Freedom Mobile.

While Freedom isn't the best wireless firm in the world, it is a great start for a firm that could disrupt its peers with lower prices. Further, Quebecor can improve upon the network quality factor, as LTE fades and consumers look to 5G upgrades.

The stock boasts a 4.3% yield, putting it in line with other telecoms. What makes me so bullish is that Quebecor has strong managers that are all about operational efficiency. Additionally, many Canadians are relishing the moment that a competitor can drive down prices, ending the status quo that's hurt their pocketbooks for so long. The federal government wants to see greater competition. In that regard, Quebecor could be a frontrunner when it comes to spectrum auction time.

CATEGORY

1. Investing

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Date
2025/07/07
Date Created
2022/07/02
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