

3 Ways to Invest in TSX Stocks to Make Back Your Money

Description

Motley Fool investors may be looking for ways to make back their money lost on the **TSX** today. Fear may grip your heart to the point where you can't breathe when you look at your Tax-Free Savings Account (TFSA). And I get it. I'm there, too. I would understand if you want to find a way to make back that money from TSX stocks in the short term.

The problem is, there are some people making desperate decisions. And those decisions could put you *more* in the hole. Today, I'm going to look at three ways Motley Fool investors may decide to make back their money lost on the TSX today.

Day trading

First up, we have <u>day trading</u>. This is a method of trying to buy TSX stocks stock using a variety of catalysts. That could be earnings reports or some news coming out that puts a stock in the headlines. It could simply be that shares have hit a 52-week low and are likely going to rebound.

What Motley Fool investors may consider is buying up a bunch of TSX stocks early in the day, setting a target price, and selling at that target price. And hey, if you put \$5,000 down on a stock, and it only moves a few cents, you could potentially walk away with hundreds all in a day's work, thereby making back a lot of losses in a short period of time.

The problem with this method is that it's *incredibly* risky. The reverse could happen, especially during such a volatile market as this one. And honestly, day trading is really never a good option and could lead to way more losses than gains over the long run.

Sell and buy better

Another option you might consider is eating your losses from TSX stocks and putting them towards something doing better. Heck, that could even mean buying up exchange-traded funds (ETFs), bonds, mutual funds or some other stable investment long term.

While I applaud your decision in this case to buy better and seek out long-term performance, the problem I have with this method is selling. Right now is certainly not the time to cut and run from TSX stocks. Over time, the TSX today trends upwards. So, selling all your shares in growth stocks that may or may not fall further or rebound just isn't the right choice. Even if your stocks remain down after the market recovers, you're still likely to sell at a far better price than the one today.

Hold and buy what you can

I think it's clear what the best choice here is. Instead of selling it all and putting it somewhere else, or taking a risky method of day trading, continue as usual. You cannot be swayed by what the market is doing. There are opportunities to be had from TSX stocks, and, certainly, take advantage of them, but do so by using the same investment method as you've done in the past.

Leaving your other TSX stocks alone, look at the TSX today for opportunities. Then, using cash you should continuously be putting aside for investments, put it towards those long-term stocks you believe will do well. I'm not talking a year or two from now but a decade from now.

A great option to consider would be a stock like **Calian Group** (TSX:CGY). The tech stock has a long history of growing through acquisitions of software companies in essential industries. That would include defence, government, healthcare, and even space. Shares have grown 4,026% in the last two decades! That's a compound annual growth rate of 20.42%, all while going through market dips and even the Great Recession.

Foolish takeaway

Short-term gains won't get you far. Neither will selling and starting from scratch. Keeping that long-term mindset towards your goals and taking advantage of a market dip like this one is your best chance at riches. So, be brave and get greedy.

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