



## Get Your TFSA on the Highway to Wealth by Buying This On-Sale Growth Stock Right Now

### Description

For most investors, this late Halloween is the spookiest in recent memory with global markets taking another left hook to the chin after having it tested with an uppercut back in February. Now, boxing analogies aside, most investors are probably in a bad state of mind right about now, but for value investors like me, Christmas has come early this year with all the bargains scattered across the TSX.

If you're a value-hunter, there's plenty of merchandise that you can pull the trigger on right now. Don't keep lowering the bar as you tell yourself "things are different" for the most recent sell-off, because odds are you'll be pinching yourself in a few months' time if you didn't do any buying should the markets abruptly recover like it did earlier this year. Now, I'm not telling you to put all of your cash reserve to work, but if you find you're overweight cash, it really can't hurt to do a little bit of buying on the weakness.

Of all today's potential potential buying opportunities, I think **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)) stock is among the most timely. The promising Canadian tech play that recently corrected 15% from peak to trough, and with shares now down around 14%, I think investors ought to treat the broader market's "mini tech wreck" as an opportunity to pick up the quality growth player at a discount.

While high-flying growth gems like Open Text could certainly be punished further, I'd recommend getting at least some skin in the game today, as the stock is already ridiculously cheap given the company's promising long-term growth prospects.

The promising big-data player has been growing by high double-digit percentage points thanks in part to the company's smart M&A strategy. More recently, OpenText scooped up Hightail, a cloud player in the file-sharing and creative-collaboration space.

In a previous piece, fellow Fool contributor Mat Litalien noted that Open Text is "[one of the best growth stories on the TSX](#)" with the company's fast-and-furious M&A and its impeccable 28% in top-line CAGR over the last decade. Indeed, growth doesn't look to be slowing down, and as investors continue to flock to high-flying cloud players and big data names, Open Text is going to have the wind

at its back.

Not only does Open Text have a sound growth strategy in a red-hot industry, the stock is absurdly cheap after the most recent sell-off. At the time of writing, the stock trades at a 12.8 forward P/E, a 2.5 P/B, a 3.3 P/S, and a 12.9 P/CF, all of which are lower than the company's five-year historical average multiples of 3.3, 3.6, and 14.5, respectively.

### **Foolish takeaway**

You're getting a hot growth stock for the price of a stalwart right here. The 1.75% dividend yield is a bonus, so, as Litalien put it, Open Text is a "[rare triple threat](#)" that offers the perfect balance of growth, value, and income for anybody's TFSA.

Stay hungry. Stay Foolish.

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