



## Buy the Dip in These 2 Growth Stocks or You'll Be Kicking Yourself Later

### Description

Whenever an [early-stage growth](#) company provides you with a dip, you should think about accumulating shares rather than thinking that the firm's best days may be over, as most others do when a stock begins to rollover. Oftentimes, broader market chatter or sector-wide rotations can dictate the trajectory of a growth stock that's still firing on all cylinders.

Consider **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) and **Ballard Power Systems** ([TSX:BLDP](#))([NASDAQ:BLDP](#)) as two top momentum stocks that younger investors should consider buying on their latest bout of [weakness](#).

After leading the upward charge for most of the year, both names have begun to take a backseat to value names and firms that have the most to gain once COVID-19 is conquered. Both Shopify and Ballard were coming in way too hot. But as investors reset their expectations, I think both names are worth buying gradually on dips.

Now, I'm not calling the bottom in either name, as both could be vulnerable to amplified damage in a broader market correction (which we're overdue for following one of the best months of November in over 90 years). But if you've got the willingness to take risks, I'd say both hyper-growth stocks are must-buys, as their nosebleed-level valuations fall back to Earth.

Without further ado, let's have a closer look at each name to see which, if either, is worth going against the grain at this market crossroads.

### Shopify

Shopify is a wonderful company that's been held higher by dip buyers who've jumped in anytime Mr. Market gave them a chance. As one of the biggest pandemic beneficiaries, Shopify has seen a profound acceleration in its business. There's no denying that Shopify was built for crises like these. Many small- and medium-sized businesses (SMBs) have viewed the firm as a critical lifeline during this brutal year.

With a handful of vaccines ready to rollout over the following weeks and months, Shopify's pandemic tailwinds will fade. Unlike most other firms that've witnessed an unsustainable pull-forward in demand, though, Shopify is likelier to view the pandemic as a temporary growth accelerator.

Many tech-unsavvy retailers reluctant to embrace e-commerce have been forced to adapt to the times or run the risk of being wiped out. Shopify's newfound strength isn't going to vanish alongside this pandemic. Clients won over during this pandemic will likely be sticking around for life. And with a world of upselling opportunities, I'd argue that there's still ample room to run for Shopify stock and would encourage long-term investors to buy gradually on any further weakness.

## Ballard Power Systems

Ballard is a fuel cell developer and manufacturer that's nearly tripled over the past year. Green energy plays have been in a roaring bull market of their own this year, and while there's undoubtedly a bit of froth on them after their 2020 run, I would look to dips for investors who've missed out but remain keen on getting exposure to some of the hottest areas of green tech.

In a prior piece, I'd praised Ballard for its incredible assets but was weary over the valuation.

"Ballard has a front-row seat to one of the most lucrative industries on the planet, with its enviable portfolio of intellectual property (IP), the company could continue to make a huge splash." I [wrote](#). "Although there are few, if any, dents in Ballard's armour, I find it tough to justify paying more than 35 times revenues for any firm. Unless you're keen and are willing to be on the receiving end of a 30% pullback by buying at these heights, I'd wait on the sidelines for a move back to \$20."

Today, Ballard stock sits at \$19 and change after correcting 10% from its high following a failed breakout. I'd nibble into a position today but would get ready to buy more shares on a further pullback to those \$15 support levels, which could be in the cards over the coming months.

### CATEGORY

1. Energy Stocks
2. Investing
3. Stocks for Beginners
4. Tech Stocks

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NASDAQ:BLDP (Ballard Power Systems Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:BLDP (Ballard Power Systems Inc.)
4. TSX:SHOP (Shopify Inc.)

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