



## Growth Stock Selloff: A Growth Investor's Dream Come True

### Description

The stock market is trading near its all-time highs, but many growth stocks have sold off meaningfully. It's a growth investor's dream come true!

Growth stocks have outperformed over the last 10 years. Some also did exceptionally well through the pandemic last year, resulting in profit taking occurring across the board as investors reallocate capital into value stocks.

Since growth stocks can deliver outsized price appreciation in the long run, it makes sense to consider buying them on corrections like these.

Here are some growth stocks that could deliver incredible upside for years to come.

### Shopify stock

**Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) was strong, growing revenues by 86% last year. If anything, it is performing even stronger, demonstrated by a triple-digit growth rate of 110% in the first quarter to \$1.2 billion.

Yet, the growth stock has corrected about 28% from its 2021 and all-time high. Taking a step back, the [tech stock](#) has pretty much traded sideways since mid-2020. As a result, analysts think the stock is discounted by about 27% and can appreciate approximately 37% over the next 12 months.

The longer Shopify stock consolidates for and continues posting high growth rates, the stronger its upside would be when it takes flight.

Each capability that the omni-channel e-commerce platform brings, makes it stickier for businesses to stay with Shopify, which has integrated all the back-end tools that are needed: payments system, marketing, analytics, apps, inventory and fulfillment, order management, etc.

The business is growing fast but Shopify stock also trades at a very high valuation — an enterprise

value to *next-12-month* EBITDA of about 278 times. It could be difficult to pull the trigger for investors who have just started venturing into growth stocks.

If that's you, you might be better off considering growth-oriented dividend stocks like **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)).

## A high-growth dividend stock

Brookfield Renewable is backed by real assets. Over the years, it has become an expert in operating and developing renewable power assets across key technologies: hydro power, wind power, solar power, storage, and distributed generation.

Governments around the world, for example, in the U.S., the U.K., the E.U., China, and India are supporting the progressive carbon emission reduction by shifting to renewable power.

The company has built scale across five continents, including 9,900 MW in North America, 4,900 MW in South America, 4,700 MW in Europe, and 1,100 MW in the Asia-Pacific Region.

At a corporate level, **Amazon**, **Wal-Mart**, and **Nike** are aiming for 100% renewable power generation by 2025.

Investors in Brookfield Renewable stock for the last 10 years enjoyed returns of about 16% per year while receiving a rising passive income. Its 10-year dividend growth rate is 5.3%.

Going forward, BEP aims to grow its cash distribution by 5-9% annually. The correction of +25% in BEP stock is an excellent entry point for investors to start with a yield of close to 3.3%.

## The Foolish takeaway

Shopify stock is sometimes referred to as an early-stage Amazon. The latter giant is still growing at a high rate and undervalued. Investors could therefore consider buying both, along with dividend-growth stocks like Brookfield Renewable.

The growth stock selloff is a wonderful opportunity for investors to pick up growth stocks for substantial price appreciation potential in the long run. Imagine the possibility of doubling, tripling, or six times your money within five to 10 years! I encourage you to [investigate growth stocks](#) across different industries and sectors.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:SHOP (Shopify Inc.)

3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:SHOP (Shopify Inc.)

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