



## 2 Top TSX Stocks to Buy if the Market Selloff Intensifies in July 2021

### Description

Most stocks on the **TSX Composite Index** performed much better than expected in the first half of 2021. The consistent market rally has made many investors so nervous that they've started mistaking every minor market correction for a market crash. For example, when Canadian stocks started diving on Thursday, some experts started pointing towards worries about uneven recovery and the uncertainty about new COVID variants' impact on the recovery.

However, if you look closely, similar factors have been around for over a year now. While such factors might pause the ongoing market rally for a while — giving way to a short-term correction, they can't reverse the long-term market trend. That's why I recommend long-term investors to focus on buying good stocks with improving fundamentals instead of worrying about a short-term market correction.

Here are two of the best TSX stocks that long-term investors can buy if the market selloff intensifies this month.

### Lightspeed stock

**Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)) has been one of the most underappreciated [tech stocks](#) in the Canadian market this year. Its stock is currently trading at \$102.66 per share with about 14.3% year-to-date gains, despite staging a big rally in June.

Lightspeed is one of a very few companies that maintained [strong business growth](#) during the pandemic period phase. And this growth is likely to improve further in the coming quarters. In the March quarter, its total sales more than doubled to US\$82.4 million. Small- and medium-sized businesses' rising interest in the company's omnichannel commerce platform is driving its exponential sales growth.

This growth trend is likely to improve further in the coming quarters amid gradual reopening. It could be the reason why Street analysts expect its sales to rise by 104% to US\$452.7 million in the fiscal year 2022. Similarly, its adjusted gross profit in the ongoing fiscal year is likely to jump by 91% compared to the previous fiscal year.

While Lightspeed stock is already worth buying at its current market price, it could get even more attractive if the broader market selloff takes it down further this month.

## Air Canada stock

**Air Canada** ([TSX:AC](#)) stock could be another great TSX stock to buy right now. The largest Canadian airline company has suffered a lot for over a year, as the pandemic-driven shutdowns and restrictions devastated the travel industry. That's why Air Canada registered a 70% drop in its total revenue to \$5.8 billion last year.

But the future seems to be looking bright for the airline industry, as travel demand has started showing big signs of recovery in the last month. Moreover, Air Canada already has enough liquidity to implement its recovery plan and compete in the international market. The strong travel demand could drive [Air Canada's financial recovery](#) in the coming quarters and boost investors' confidence.

After falling by nearly 53% in 2020, its stock has recovered by only 12.7% this year. Just like Lightspeed, Air Canada stock already looks attractive at the current market price. Still, if another temporary, fear-driven market selloff takes it further down, it would become even more attractive.

### CATEGORY

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

### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:AC (Air Canada)
3. TSX:LSPD (Lightspeed Commerce)

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