



3 Stocks to Buy Without Hesitation if There's an October Stock Market Correction

Description

There are investors that think we could see a market correction in October. The first reason for this widespread belief is [the "October Effect."](#) This is the perceived anomaly that stocks tend to decline in October. Second, many of the biggest market crashes have occurred in October, including the Panic of 1907, the 1929 stock market crash, and Black Monday in 1987. Finally, the uncertainty surrounding **Evergrande's** [inability to repay its debt](#) has many institutional investors scared.

Whether there's any merit to these arguments isn't the point of this article, nor is it my place to speculate. In this article, I'll discuss three stocks that investors should consider buying if there *is* a stock market correction in October. Buying shares of excellent companies during periods of downturn is a great way to build wealth. October *could* give investors an exceptional opportunity in the near future.

You can't go wrong investing in Canada's top growth stock

The first company I would consider investing in right away is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). Many retail investors have been turned off by the company recently for two reasons. First, many investors believe that the company's best years of growth are behind it. Yes, it's true that Shopify has already managed to gain nearly 4,800% since its IPO. However, the company's recent financial reports indicate that its business is still growing tremendously. In addition, Shopify recently surpassed **Amazon** in terms of total website traffic in Q2 2021.

The second reason investors have been hesitant to invest in the company is because its stock hasn't been very impressive, by Shopify's standards, this year. In 2019 and 2020, Shopify stock gained nearly 200%, in both years. So far this year, Shopify stock has *only* gained about 22%. Investors need to realize that a 22% gain in a single year is still a tremendous feat. Considering the market average is an increase of about 6% per year, over the long term, Shopify's performance is nearly four times better.

This company has shown that it's the real deal

After its first day of trading, **Nuvei** ([TSX:NVEI](#)) broke headlines when it closed the largest tech IPO in Canadian history. Investors weren't sure whether that performance was a fluke, given the very high amount of speculation happening in IPOs at that time. However, Nuvei stock seems to have been on an upward trajectory since then. As of this writing, Nuvei stock has gained 234% since its IPO just over a year ago.

With that incredible sustained performance, many investors are starting to believe that this company is the real deal. During its latest earnings presentation, Nuvei reported that its Q2 revenue had increased 114% year over year. That resulted in Nuvei stock gaining about 16% the following day. Nuvei is poised to continue growing alongside the rapidly emerging e-commerce industry. This is a top stock that deserves consideration during the next market correction.

The renewables industry is heating up

Over the past few years, investors have been very excited to invest in the renewable energy industry. Much of this excitement is backed by government legislations and commitments from enterprises to become carbon neutral. As a result, companies like **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) have seen tremendous growth. Since the start of 2019, Brookfield Renewable stock has gained about 134%.

Brookfield Renewable is one of the largest providers of renewable energy in the world. The company operates a portfolio capable of generating about 20,000 MW of power. Despite its large size, the company remains dedicated to growth. Brookfield Renewable's pipeline could nearly double its generation capacity after the completion of the projects currently underway. Renewable energy will only become more prevalent in the future and Brookfield Renewable is helping lead the way.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

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:NVEI (Nuvei Corporation)
5. TSX:SHOP (Shopify Inc.)

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