3 Stocks I Would Buy Without Hesitation if the Market Dips

Description

Market corrections can be scary, especially for those that haven't experienced any significant dips before. However, having a plan ahead of time can help you navigate those events. Generally, you don't want to sell during a correction, because it's better to sell when a stock is trading at a high. Instead, investors should look to add or start new positions as stock prices become more attractive. In this article, I'll discuss three stocks that I would buy without hesitation if the market dips.

The first stock I would buy

At the next correction, the first stock I would consider buying is **Shopify** (TSX:SHOP)(NYSE:SHOP). I bought the stock heavily during last year's market crash, and it has done me well since. Although I don't expect similar growth today as what I experienced after picking up the stock last spring, Shopify should still do really well over the long term. The company has continued to impress in terms of growth and looks well on its way to become Canada's first $1 trillion company.

Over the past year, Shopify's revenue growth has continued to increase at a high double-digit growth rate. In the first quarter, Shopify reported a 110% increase in its quarterly revenue. It followed that up with year-over-year increases of 57% and 46% in Q2 and Q3, respectively. In terms of traffic, Shopify stores now see more customers than **Amazon**, which signals continued strength in consumer support. These numbers continue to make the company very attractive. I would certainly take any opportunity to buy more of this stock on a dip.

I would look to add dividend stocks

It's well known that dividend stocks tend to be less volatile during market downturns. This makes them a very attractive option at the next market correction. Therefore, if the market dips, I could see myself buying shares of **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS). This is a stock that I recently added to my portfolio, after following the company for a while.

A Canadian Dividend Aristocrat, Bank of Nova Scotia holds a nine-year dividend-growth streak. It offers investors a forward dividend yield of 4.35%. Currently, Bank of Nova Scotia maintains a payout ratio of 50.35%. This is attractive as it suggests that the company has sufficient room to continue increasing its dividend in the future. At the next market dip, I will likely want to add stability to my portfolio. Investing in Bank of Nova Scotia should do that.

I could decide to go for aggressive growth

As I said previously, market corrections are not a time to be selling stocks. Instead, investors should be looking to take advantage of stocks selling at less-expensive prices. **Docebo** (TSX:DCBO)(NASDAQ:DCBO) is a stock that could be affected negatively during a correction. However, the company should be able to recover, given its strong growth. This is a stock that investors should consider watching when the market drops. Picking the stock up at a discount could prove to be a smart move.

At the start of the year, investors already had a great opportunity to buy Docebo shares for cheap. From January to late March, Docebo stock dropped about 40%. However, since then, it has gained as much as 137%. Currently, Docebo stock has been trending downwards, but it still holds onto a gain of about 10% this year. If its performance after its most recent dip is indicative, investors should welcome another excellent buying opportunity with open arms.

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