



2 TSX Stocks That Could Pop if Lockdowns Hit in 2022

Description

The last thing all of us want is more COVID lockdowns. It wreaked havoc on the world [economy](#) back in 2020 and caused a bit of a cash crunch, as investors rushed to the exits in a hurry. Undoubtedly, we still know little about the newly-discovered variant [Omicron](#).

It may or may not have a more detrimental impact than past variants. Fortunately, pharmaceutical firms are hard to work on it. As such, investors shouldn't expect a repeat of the 2020 shock. There are tools in place to fight the insidious coronavirus and ease any potential damages to health and the economy.

U.S. Federal Reserve Chairman Jerome Powell has done a magnificent job of steering the states through the hailstorm, and with his presence, there's much to be optimistic about, even in the face of a gloomy environment which may include more lockdowns.

While I wouldn't overreact to Omicron by backing up the truck on lockdown stocks, I would pick up some of them if you're overinvested in the reopening trade. Many lockdown plays have sold off viciously over the past several months, as the reopening went on. Should Omicron cause reopenings to roll back, such lockdown stocks could be given a quarterly jolt. And with that, positive surprises could help investors land solid gains prospects relative to risks taken on.

Consider **Spin Master** ([TSX:TOY](#)) and **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)), two names that could outperform in 2022 if Omicron induces lockdowns.

Spin Master

Spin Master is a Canadian toy company that's made huge strides in digital games. Indeed, lockdowns and all the sort gave its digital segment a jolt. With concerns over supply chain shortages weighing on sales for the coming holiday season, the stock has been quite turbulent. Still, one should not discount the firm's ability to do better than the Street is calling for. Further, digital growth should also come at a premium, as the company looks to capitalize on a trend that many have been talking about of late: the metaverse.

The company has an incredible line-up of brands that it could leverage as it looks to build its own digital world. Gaming and digital hang-out spaces could be key to next-level growth for Spin, yet many still view the firm as just another run-of-the-mill toymaker. It's an innovative company that could really make a mark over the next few years if management can continue investing heavily in its digital business.

Should lockdowns strike, expect Spin to navigate through as it did last year. It won't be immune from COVID-induced woes, but it has the ability to adapt. And for that reason, the stock looks like a buy in my books.

Docebo

Docebo is an exciting way to play the digital transformation, which could be accelerated further by future waves of COVID. The stock has cooled off and looks like an intriguing buy, as workforces who've returned to the office consider working from home once again.

Even between waves, Docebo has proven its value-adding Learning Management System (LMS) is a great platform for the new age of work. With many AI technologies under the hood, Docebo has a chance to really make a mark on its niche. I think the best growth days are still up ahead, and any lockdowns should only help the firm maintain its remarkable revenue growth numbers.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. TSX:DCBO (Docebo Inc.)
3. TSX:TOY (Spin Master)

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