



Market Correction: 2 of the Best Canadian Stocks to Watch This Week

Description

With all the volatility in markets lately, and the potential for a correction at the highest it's been in months, this could be the best chance to buy the best Canadian stocks ahead of 2022.

Markets have been on a significant rally for months now, making stocks quite expensive. So, in addition to a pullback that will offer investors some value, this is one of the first opportunities to find a significant discount with some of the best Canadian stocks to buy since the pandemic began.

Therefore, should the market correction continue this week and [volatility](#) remain high, here are two of the best Canadian stocks to watch closely and consider pulling the trigger on if the price is right.

One of the best Canadian growth stocks of all time

There's no question that **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is one of the best Canadian [growth stocks](#) of all time and continues to offer a ton of opportunities to expand its operations.

As technology only continues to improve, the e-commerce industry has a natural path to continue growing. The pandemic acted as a major tailwind for online shopping; there's no doubt about that. And that massive surge in demand led to the industry's capacity increasing and becoming more efficient quite significantly.

So, as the infrastructure for online shopping continues to be improved, the economies of scale get better, making it more attractive for consumers, as they can expect more items available online while shipping costs and shipping times become more competitive.

The growth of the industry can also improve the margins for e-commerce retailers. So, while Shopify is facing tough comparables this year, over the next decade and more, it should continue to see its business grow at an attractive pace. Therefore, anytime you can buy Shopify undervalued, whether it's in a market correction or not, it's one of the best Canadian stocks to consider.

Right now, Shopify still isn't that cheap. It's currently trading roughly 20% off its high, which is a

significant discount, but it could still fall much further. Investors haven't been willing to give up shares in this high-potential stock, which is understandable. But this is why it's one of the best Canadian stocks to watch this week.

Should volatility continue to increase and the market correction intensify, Shopify will be one of the best Canadian stocks on my buy list.

One of the best Canadian stocks to buy in a market correction

Another incredibly high-quality stock that is only trading about 5% off its all-time high, despite the recent volatility, is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)). Again, like Shopify, the fact that Brookfield isn't cheap is not surprising.

Not only is it an excellent fund with an incredible management team, but it also owns a portfolio of some of the most robust and defensive assets spread out all over the world.

Brookfield's target objective is to grow investors' capital by up to 15% annually over the long run. By keeping this long-term mindset, sometimes it may underperform in the short term, but it consistently grows at an attractive pace over the long run.

Brookfield uses its massive size and access to capital to find deals all over the world that it finds appealing. Once it acquires an asset, it then uses its expertise to improve the economics of the business, which increases its value and the cash flow it earns. Brookfield can then sell the asset for a higher price and recycle the capital into a new opportunity or continue to hold the business and collect higher cash flow.

It's this long-term strategy, combined with its [high-quality assets](#) such as ports, railroads, pipelines, and data storage centres, that makes it one of the best Canadian stocks to own, and a highly safe investment during market corrections.

So, I'd watch Brookfield carefully this week and any time volatility picks up, as it's one of the best Canadian stocks to buy and hold for the long haul.

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Author

danieldacosta

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