



## Where to Invest \$500 in 2022

### Description

The best stocks are the ones that have been beaten down so much they have little downside risk left. In 2022, these stocks are primarily in the tech sector. While investors plow money into energy and bank stocks, I believe betting on growth stocks is the best contrarian move for 2022.

With that in mind, here are the best stocks for your watch list in the new year.

### Best health tech stock

**WELL Health Technologies** ([TSX:WELL](#)) remains the best healthcare software company in the country. The stock had an incredible run in 2020 and 2021 but is down significantly in recent months. At the time of writing, the stock is trading 47.7% lower than its all-time high. Meanwhile, the underlying business is growing as fast as ever.

Recent acquisitions have helped the company enter new markets such as the United States. They've also helped the team launch new services such as online pharmacy deliveries. Combined, all these acquisitions have pushed the company's annual revenue run rate to \$400 million. The company is worth \$997 million. That implies a price-to-revenue ratio of 2.49.

In short, WELL Health stock is severely undervalued and likely to rebound strongly in the new year. It's one of the best stocks in the healthcare tech sector at the moment.

### Best space stock

Few other industries are as exciting as the space tech sector. Recent innovations such as reusable rockets have expanded this market immensely. However, investors are too busy worrying about interest rates and inflation to pay attention.

**MDA** ([TSX:MDA](#)) is a top pick here. The company developed the Canadarm program and is currently working on Canadarm3, which will be part of the [lunar gateway mission](#). Besides these iconic projects,

MDA also offers niche services such as satellite surveillance and laser rangefinders for Japan's MMX (Martian Moons eXploration) mission.

What I like about MDA is that it has long-term government contracts and a robust order book. That means it has plenty of visibility on future revenue. The company's trying to boost revenue 50-60% this year, while the stock is down 46% since listing.

This is one of the best stocks to bet on while you wait for SpaceX to go public.

## Best software stock

Rising interest rates have had a magnified impact on software stocks. Nearly every Software-as-a-Service stock is trading for less than it was in early-2021. That creates a window of opportunity for consolidators like **Topicus** ([TSXV:TOI](#)).

Topicus acquires small- and mid-sized enterprise software companies across Europe. These companies were already trading at fair value, but if the tech correction continues Topicus could see better bargains. Like the purchase of GeoSoftware Business in October.

Topicus stock is down 26.8% since November. It's been caught up in the tech market's shifting sentiment. That creates an opportunity for long-term investors. Topicus could be one of the best stocks to buy in 2022.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:MDA (MDA Ltd.)
2. TSX:WELL (WELL Health Technologies Corp.)
3. TSXV:TOI (Topicus.Com Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
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