3 Cheap Canadian Stocks Bound for Massive Growth in 2022

Description

The **TSX** today continues to fall as we wait impatiently for news about interest rates. Inflation continues to rise, up 4.8% in December for Canada. That's the highest increase since 1991, according to Statistics Canada. And it's even worse in the U.S., up 7% last month, the highest since 1982. But this slump *does* mean one good thing: cheap Canadian stocks. So let's grab some long-term holds for 2022, and beyond.

Down, but not out

A short seller report still haunts **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)), sending shares to 52-week lows. Add on top of this the tech crash and Lightspeed stock has a huge problem on its hands. At least in the short term. That's what makes it a cheap Canadian stock to consider.

Tech stocks are far over-sold, and that goes for Lightspeed stock as well. The company is set to announce earnings results on February 3, leading some to believe they should get out while they can. After all, management stated supply-chain demands could hurt both its merchants and the company itself.

But Lightspeed stock remains a strong long-term option among cheap Canadian stocks. It currently has a relative [strength index](#) (RSI) of 22.56, putting it in over-sold territory. Shares are down 57% in the last year. But there is growth ahead after the company's strong acquisitions and massive growth in retailers. Analysts continue to recommend it as a 'buy,' with a consensus target price of $116 as of writing.

Back to the skies?

The Omicron variant of COVID-19 has been terrible for cheap Canadian stocks, true. But the World Health Organization recently came out stating that with people either contracting the virus or getting vaccinated, it means there might be a new normal to get used to. That could mean that the [conditions](#) we have now will be around long term, and companies like **Air Canada** ([TSX:AC](#)) could return to some

kind of normalcy.

So, yes, Air Canada stock is likely set up for a long-haul of COVID-19-related costs. But it will also have to get used to the new normal, just as it did after 9/11. And so too will passengers. And let's be honest, many Canadians are willing to risk the flight if it means finally getting out of the house. Which is why it remains one of the cheap Canadian stocks to consider.

With new loans up and running and earnings due next month, we may see passenger occupancy start to hit higher levels. Shares seem to have stabilized, and long-term investors may indeed see massive movement from Air Canada stock this year. The company isn't over-sold with an RSI of 44, but analysts still peg it as a 'buy' with a target price of $29 as of writing.

Stable tech

Now if you want a stable company among these cheap Canadian stocks in the tech sector, **CGI Group** (TSX:GIB.A)(NYSE:GIB) is an excellent choice. It has come online as a heavy hitter in the acquisition world, buying up tech companies left, right, and centre. And when is it a better time than when everything is down?

I expect we will see some major M&A activity from CGI stock in the next year from the IT and business consulting firm. And it's absolutely a strong long-term solution, with an increase in digitalization and cloud-based business all but assured for our future. And yet it too remains in over-sold territory, currently with an RSI of 34. Meanwhile, it offers a target price of $127, 24% higher than today's share price of $103. Of all the cheap Canadian stocks out there, this one certainly has some strength behind it for any portfolio.

CATEGORY

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1. NYSE:GIB (CGI Group Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:AC (Air Canada)
4. TSX:GIB.A (CGI)
5. TSX:LSPD (Lightspeed Commerce)

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