



## RRSP Investors: 2 Top Canadian Stocks to Buy Now

### Description

Canadian savers are searching for top TSX stocks to buy for their self-directed [RRSP](#) portfolios. The recent market pullback is finally giving investors a chance to pick up some great companies at reasonable or even [undervalued](#) prices.

### Shopify

**Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is getting hammered as part of the broader selloff in the tech [sector](#). Tech stocks were due for a pullback, and the recent concerns over rising interest rates have triggered the correction. It is true that multiples will come down, as interest rates increase, but the drop in Shopify's share price is starting to look overdone.

The company reported Q3 2021 revenue growth of 46%. Fourth-quarter 2021 numbers should be strong as well, given that the merchant network broke Black Friday and Cyber Monday sales records with a 23% increase over 2020. Looking ahead, 2022 is shaping up to be an interesting year. The business continues to grow at a fast pace, and Shopify is expanding its partnerships to capitalize on key global opportunities. The recent deal with **JD.com**, a Chinese e-commerce giant, is a good example. JD will provide important access to the Chinese market for Shopify's U.S.-based merchants.

The stock could endure some additional volatility in the near term, but RRSP investors who buy near the current share price of \$1,100 will likely see good returns on the investment in five years. Shopify has lost about half of its value in the past two months and now trades where it did in May of 2020.

### Nutrien

**Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) is the world's largest supplier of potash and a leading provider of nitrogen and phosphate. These products are known as crop nutrients and are used by farmers around the globe to boost yields. Nutrien also has a retail group that sells seed and crop protection products as well as a growing digital solutions division.

The boom in crop prices in the past two years has encouraged farmers to plant more land and buy more fertilizer to increase crop production. This is driving up potash, nitrogen, and phosphate prices. At the same time, global suppliers are having trouble ramping up output or are hindered by sanctions.

Nutrien is in a unique position in that it has spare potash capacity it can tap to boost output and has ample access to relatively cheap natural gas, which is used to make nitrogen.

Strong market conditions are expected to continue in 2022 and beyond, setting Nutrien up to generate strong profits and significant free cash flow.

The stock dropped in recent weeks after the surprise exit of the CEO. The turnover isn't ideal, but Nutrien has a deep bench of top executives, and the business continues to operate efficiently.

Investors could see a big dividend increase this year, and Nutrien is using excess cash to buy back stock.

The shares appear cheap at the current price of \$87. The stock hit a 12-month high of \$99 near the end of December.

## The bottom line on top stocks to buy now for RRSP investors

Shopify and Nutrien are leaders in their respective industries. The stocks look undervalued after the recent pullback and could deliver big gains for RRSP investors in the next few years. If you have some cash to put to work in a self-directed RRSP portfolio, these stocks deserve to be on your radar.

### CATEGORY

1. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

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2. NYSE:SHOP (Shopify Inc.)
3. TSX:NTR (Nutrien)
4. TSX:SHOP (Shopify Inc.)

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