3 of the Best ETFs to Buy in February

Description

After all that's gone on in the stock market over the last couple of months, there are many high-quality ETFs to buy to take advantage of some of the best discounts we've seen in a while.

Not every stock has been impacted severely, but plenty of high-quality, long-term growth stocks have seen their share prices impacted as investors look to lower their portfolio risk.

So if you have cash that you're looking to invest and you want to find some of the best deals on the market, here are three ETFs to buy in February that are far too cheap to ignore.

One of the best crypto ETFs to buy now

Cryptocurrencies have been some of the worst-performing assets and stocks in the recent sell-off. So while there are plenty of bargains to find across the space, one of the best investments to consider now is the **CI Galaxy Ethereum ETF** (TSX:ETHX.B).

The ETF gives investors exposure directly to Ethereum, the second-most valuable cryptocurrency that currently has a market cap of roughly US$300 billion.

So unlike a crypto company or an ETF that owns several companies, investors will benefit from the Ethereum ETF as long as the price of ETH gains. This is why it's one of the best ETFs to buy now.

Not only is ETH extremely cheap at the moment, down 50% from its all-time high, but it's also slated to introduce major upgrades to the network this year.

So while the ETF also trades roughly 50% off its high, the CI Galaxy Ethereum ETF is one of the best to consider.

A top tech ETF

In addition to cryptocurrencies, many higher-risk tech stocks have also been selling off lately. And

while this is understandable given investors want to rebalance their portfolios, it creates opportunities for long-term investors to buy at a discount.

So if you want to gain exposure to high-quality tech stocks while they are undervalued, one of the best ETFs to look at right now is the **iShares S&P/TSX Capped Information Technology Index ETF** (TSX:XIT).

The XIT offers investors exposure to many of the top Canadian tech stocks, such as **Shopify** and **Constellation Software**. These are some of the best long-term growth stocks you can own, so having the opportunity to gain exposure when they are so cheap could benefit long-term investors significantly.

To give you an idea of how cheap the ETF is, it's currently trading roughly 30% off its 52-week highs, and right at the bottom of its 52-week range.

So while these top tech stocks trade without a significant growth premium like they usually do, I think XIT ETF is one of the best to buy now.

One of the best ETFs to buy in February for risk-averse investors

If you're an investor who is more risk-averse, rather than buying two higher-risk ETFs, you may want to consider a low-risk ETF such as the **BMO Low Volatility Canadian Equity ETF** (TSX:ZLB).

In contrast to the Ethereum ETF, which is down 50% from its 52-week high, and the XIT, which is down 30%, the ZLB is trading less than 5% off its 52-week high, showing just how safe and reliable it can be.

The ETF owns highly defensive businesses such as utilities and consumer staple stocks. In fact, those two sectors alone make up almost a third of the entire fund.

In addition to being extremely safe, the ETF also pays a distribution with a current yield of 2.5%. So if you're a risk-averse investor looking to put some of your hard-earned capital to work in February, the ZLB could be an excellent choice.

CATEGORY

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2. TSX:XIT (iShares S&P/TSX Capped Information Technology Index ETF)
3. TSX:ZLB (Bmo Low Volatility Canadian Equity ETF)

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