Tech Stock Crash: Time to Buy 2 Stocks at Bargain Prices

Description

After an incredibly strong year in 2021, the Canadian market is off to a rocky start this year. The **S&P/TSX Composite Index** is already down a couple of percentage points in 2022. But it's the recent volatility in the stock market that, unsurprisingly, has some investors in panic mode.

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In the short term, now may not be the most opportunistic time to be investing. It's anybody's guess as to how long this selloff will last. In the long term, though, now would be a very wise time to load up on high-quality stocks that are trading at a discount.

It's easier said than done to be a buyer when stocks are tanking. But I'd urge investors to follow Warren Buffett's advice of being greedy while others are being fearful.

Investing in high-growth tech stocks

Growth stocks, particularly in the tech sector, have been among the hardest hit over the past several weeks. Many tech companies already had a rough year in 2021 and 2022 hasn't started out any better.

Even with the recent selloffs, the tech sector is definitely not a cheap place to be investing. Valuations of many of the top tech stocks on the **TSX** trade far higher than most other areas of the stock market. The reason why investors are willing to pay a premium to own a top growth stock is for the chance to earn market-beating gains.

If you're investing for the next five years or longer, I'd strongly recommend picking up shares of a few different tech companies while these prices last. I've reviewed two top tech stocks that I'm already a shareholder of but will be looking to add to my positions very soon.

Shopify

Shopify (TSX:SHOP)(NYSE:SHOP) may be valued at a market cap over $100 billion, but I don't think this tech stock is anywhere near done growing just yet. Year-over-year quarterly revenue growth soared close to 50% in the company's most recent quarter.

Shopify has been one of the top growth stories for Canadian public companies. Shares are up over 3,000% since the tech stock went public in 2015. In comparison, the Canadian market is up less than 50%.

Today, Canadian investors can pick up shares at a nearly 50% discount from all-time highs. From a valuation perspective, Shopify is still far from a cheap stock. That being said, Shopify has never been considered a cheap investment, and I don't expect that to change anytime soon.

Lightspeed Commerce

At a mere $5 billion market cap, **Lightspeed Commerce** (TSX:LSPD)(NYSE:LSPD) is a much smaller company than Shopify. You could also say that Lightspeed is a far less established business than Shopify. However, I'd argue that Lightspeed's long-term growth potential is much higher, as Shopify is far past its high-growth days.

There's a tonne of growth potential for Lightspeed, as it continues to enter new verticals and expand internationally. In both of the company's first two quarters of its 2022 fiscal year, it posted year-over-year revenue growth of just about 200%.

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Similar to Shopify, Lightspeed is not exactly a cheap stock, even with the recent selloff. Shares are trading close to 75% below all-time highs set less than half a year ago. Still, the tech stock is up a market-beating 100% since it joined the TSX in 2019.

If you're looking for multi-bagger gains, Lightspeed should be at the top of your watch list.

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