



The Top 3 Canadian Stocks on Wealthsimple Trade This Week

Description

As of writing, there are over 2,000 stocks listed on the **Toronto Stock Exchange (TSX)** that trade every day. However, a certain few tend to garner more interest from investors due to various catalysts that send them into a trading frenzy.

A variety of events underlie these catalysts, including earnings reports (good or bad), central bank policy announcements, or even higher-than-normal social media mentions. Trading in these high-activity stocks can therefore be exciting, albeit risky.

Of course, no matter what the current circumstances, our Foolish approach always has us looking for great long-term opportunities. With the advent of zero-commission trading from brokerages like [Wealthsimple Trade](#), the cost of getting in on these great buy-and-hold stocks has never been lower.

With that in mind, let's take a look at the top three TSX stocks getting the most action on the Wealthsimple Trade app this week.

Shopify

Shares of **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) fell sharply by over 18% on Wednesday, February 16 following a mixed earnings report. Shopify provided lower guidance for the upcoming fiscal year, stating that revenue growth will be lower than the 57% increase in 2021.

Despite beating analyst estimates for revenue (\$1.38 billion vs \$1.34 billion) and earnings per share (\$1.36 vs \$1.26), the weaker outlook for revenue growth clearly rattled investors who are used to the explosive growth displayed by Shopify during the onset of the COVID-19 pandemic back in 2020.

Shopify faced strong headwinds recently from inflation and the threat of interest rate hikes, currently trading at \$938 a share, or more than -58% off from its 52-week high price of \$2,228. The stock is currently trading under both its 50- and 200-day moving averages of \$1,453.67 and \$1,699, respectively, which could indicate further bearish movements.

Barrick Gold

Canada's largest gold producer, **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) saw good price action on Wednesday, with 8.31 million shares trading hands and a 7% increase in the share price. Investors flocked to Barrick Gold on reports that the Canadian inflation rate for January 2021 hit 5.3%, with the U.S. rate hitting 7.5%.

In addition, Barrick delivered better-than-expected Q4 2021 earnings, meeting their previous revenue guidance. Barrick also announced a fourth-quarter dividend increase of 11% to \$0.10 per share and authorized a share-buyback program of \$1 billion in the near future.

Based on its earnings report, Barrick seems poised to outperform its sector competitors. With a stronger balance sheet and cash reserves heading into 2022, Barrick's focus on their 10-year production forecast in conjunction with the share buyback could lead to decent appreciation for their share price in the near future.

Athabasca Oil

Shares of **Athabasca Oil** ([TSX:ATH](#)) soared nearly 9% on Wednesday, with a total of 11.81 million shares traded. The stock is currently up over 29% YTD, buoyed by resurgent commodity prices amid fears of inflation and geopolitical tensions in Eastern Europe.

Two weeks ago, Athabasca Oil announced its preliminary 2021 year-end results, the highlights of which included a substantial increase in free cash flow and improvement in the balance sheet via a repayment of a \$32 million term debt, resulting in significant interest savings.

Athabasca Oil will release its audited year end results after market close on Wednesday, March 2. Until then, investors can expect heightened volatility and volume, as with any other swing play. Athabasca Oil is also heavily exposed to commodity prices, so keep an eye on those as well if you do decide to buy.

The Foolish takeaway

Do you want to get in early the next time a stock goes on a tear? Finding the most traded stocks is easy with [Wealthsimple Trade](#). Simply log on to the app, click the search bar, then click the "Top Lists" category, and scroll down to the "Top 100 on Trade" section. From there, you can easily see the average recent volume and review each stock in-depth on its dedicated page.

Following actively traded stocks can be an exciting way to participate in the market. However, we at the Fool always encourage buying and holding when it comes to investing. Make sure you do proper due diligence on a stock before investing, including an assessment of its financials, management, sector trends, and long-term outlook. Doing so will help keep the large losses at bay and your gains in the green.

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