



2 Top Bounce-Back Stocks to Buy for March

Description

It's hard to believe that the first quarter of 2022 is over halfway over, with March 2022 just up ahead. The question on the minds of investors is whether the quarter will end with more of the same: horrific volatility. Indeed, the broader S&P 500 plunged into a correction before bouncing back modestly.

With markets fearful over a conflict between the Ukraine and Russia, the next week or so will surely see markets test their ominous January 2022 lows.

Whether or not such lows are broken remains to be seen. Regardless, I don't think it's time to get too [aggressive](#) just yet with the hardest-hit names out there. With markets smack in the middle between recovery and a bear market, investors' risk appetite will be put to the test. And if you're one of many new investors who's down double-digit percentage points due to an overexposure to hard-to-value tech stocks, it may be time to lighten up, or, at the very least, dilute your speculative tech exposure with prudent new buys in the value corner of the market.

Bounce-back stocks I'd check out in March 2022

In this piece, we'll have a look at two intriguing value stocks that have been pulled [lower](#) but may be due for a big bounce to the upside once this selloff finally shows signs of slowing down. Now, I have no idea if they'll bounce back this quarter, next quarter or next year.

It is my belief that each stock is trading at a multiple that appears below its true worth according to financial models. Undoubtedly, investors should conduct their own analysis and form their own models to confirm the undervaluation of any publicly traded security. Without further ado, consider shares of toymaker **Spin Master** ([TSX:TOY](#)) and auto parts maker **Magna International** ([TSX:MG](#))([NYSE:MGA](#)).

Spin Master

Spin Master is a great company with a management team that's learned from its mistakes. The firm did a decent job (or at least better than I expected) during the worst of COVID-induced supply chain woes.

Further, the firm's digital games segment really helped the company smoothen out the bumps in the road. Although the growth is remarkable, it's still not yet a major needle mover for Spin. That said, I think it could evolve into a significant segment that could dictate the trajectory of the stock.

Spin has magnificent brands that could make a smooth move into the digital realm. Indeed, the firm has the capabilities and a strong enough balance sheet to really bolster its gaming business. For now, TOY stock is down around 10%, falling in sympathy with broader markets. I'd look to buy the dip for those looking for decent growth at a value price of admission!

Magna International

Magna International tends to implode during cyclical downturns. With the stock and macro picture showing signs of subtle weakness, it's arguable that many want to ditch shares with the intent of asking questions later. Who can blame them? That said, I think this is not peak auto but rather a bump in the road.

Indeed, autos are on the cusp of a massive EV upgrade cycle, which could lengthen the auto cycle for many years. Even if we're dealt a recession, I do not think Magna will be kept down for the long haul, making it a great pick for investors with a five- to 10-year horizon.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:MGA (Magna International Inc.)
2. TSX:MG (Magna International Inc.)
3. TSX:TOY (Spin Master)

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2. Koyfin
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Date

2025/08/23

Date Created

2022/02/21

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