



Forget Peloton: 2 Canadian Growth Stocks to Buy With Far More Value

Description

Over the past few months, **Peloton Interactive** ([NASDAQ:PTON](#)) stock has gained in popularity as it's had a significant fall in price. And as with any stock, but especially popular companies, when they fall rapidly in value, there are several Canadian investors wondering if the growth stock is worth a buy at the new lower price.

Peloton stock, which saw a massive rally and a tonne of growth through the beginning of the pandemic, has been struggling lately as that tailwind has faded, and it deals with stiffer competition.

So, in addition to the already significant downtrend that it's been on in recent months, thanks to being popular in the media, many might think this high-quality stock looks cheap.

However, even after the more than 75% fall in price over the last year that Peloton has seen, the stock is still worth almost US\$10 billion.

One of the reasons Peloton grew so fast, besides the pandemic, is the revolutionary products it's launched. However, as more of its competitors move to offer similar products and services, and often at more affordable prices, and as more consumers return to gyms for their workouts, Peloton stock now faces increasing headwinds.

Last November, the company cut its guidance due to supply chain issues. There was also slowing demand for its products. And again, earlier this month, for the second consecutive quarter, [Peloton lowered its guidance](#).

So rather than Peloton stock, if you're looking for a growth stock with value, here are two top Canadian stocks to buy now.

A top Canadian growth stock to buy instead of Peloton

If you're looking for a high-quality growth stock that you can buy cheap today, I'd strongly consider **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) over Peloton. Shopify is a top growth stock to buy that pretty

much every Canadian investor has heard of. The e-commerce giant is responsible for one of the fastest and most incredible growth stories in Canada.

Unfortunately, though, Shopify's stock has fallen out of favour lately. And now, after last week's guidance, the stock is exceptionally cheap.

While the company announced significant investments to grow its fulfilment network, the stock declined as much more capital was forecast to be reinvested back into the business. Over the long term, though, I believe the strategy to open its own fulfillment network will be a major development to its business.

Much of Shopify's products are sourced from Asia, and merchants can often have to deal with long shipping times, which can drive away customers.

So with Shopify looking to grow its dominance in the e-commerce space, as well as integrating its operations, it continues to be one of the top growth stocks to buy and hold long term. Therefore, after the recent sell-off in both Shopify and Peloton stocks, I'd much rather own Shopify.

A top health care tech stock

Another excellent Canadian growth stock that's a much better buy today than Peloton is **WELL Health Technologies** ([TSX:WELL](#)).

Just like both Shopify and Peloton, WELL experienced a significant tailwind from the pandemic, which has turned to a headwind now as the economic environment changes and investors rebalance their portfolios ahead of higher interest rates.

However, while it's understandable why WELL Health has been out of favour lately, it's not as clear why it trades so [cheap](#).

WELL has built an incredible business that combines physical medical clinics with several virtual and telehealth companies. In addition, it has a massive electronic records business. This portfolio of companies offers many synergies and potential for growth in the future.

So with WELL stock now down by roughly 50% over the last year, the Canadian growth stock looks like one of the best businesses to buy today. So if you've been considering Peloton stock lately, I'd strongly consider WELL Health Technologies instead.

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3. TSX:SHOP (Shopify Inc.)
4. TSX:WELL (WELL Health Technologies Corp.)

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