



## TSX Stocks: The 3 Most Corrected Canadian Bigwigs of 2022

### Description

Some people say to buy on dips. But the dip gets deeper and deeper. Many high-growth TSX stocks have seen a steep decline in the last few weeks. Let's see if they offer value after the drop or if there is more downside.

### Shopify

**Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) certainly tops the list given its size and magnitude of the fall. In the last three-odd months, the stock has fallen 60%, notably lagging peer tech giants.

Shopify's recent quarterly results indeed highlight a slowing growth relative to what it experienced during the pandemic. Its revenues increased by 41% in Q4 2021 year over year against a long-term average of 64%.

It also [reported](#) a net loss of US\$371 million for the reported quarter versus US\$124 million in income in Q4 2020.

Of course, the e-commerce giant is unlikely to see sky-high financial growth throughout its life. However, it is still well placed for an above-average growth for the next few years.

I think Shopify's increasing market share in U.S. e-commerce retail sales has been one key overlooked aspect. It increased to 10.3% in 2021 from 8.6% in 2020. With the recent higher capex announcement, its fulfillment services could be a key growth driver going forward.

After the vertical drop, SHOP stock is trading below 30 times its earnings and looks relatively fairly valued.

Considering the macro environment, growth stocks like SHOP could have volatile episodes in the short term. However, it could have a limited downside from here, and patient investors will likely create meaningful value creation in the long term.

## Nuvei

Canadian fast-growing fintech stock **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) continues to have a bitter 2022. It started trading weakly in September last year on valuation concerns. Then the short report came and brought a double whammy for the Canadian payment processor.

Nuvei caters to crypto platforms as well as e-commerce websites and across many other verticals. Last year, it saw stupendous growth when shoppers turned to online stores amid the pandemic.

Nuvei has a competitive edge over peer fintech companies with its platform for sports wagering companies. As regulated sports betting gains momentum, Nuvei could see faster merchant base expansion and [superior earnings growth](#).

However, investors seem to have turned hesitant in the last few months. The stock has cratered from \$180 levels in September 2021 to \$65 today. Interestingly, the stock is still trading 67 times its earnings and looks stretched from traditional [valuation](#) measures.

Nuvei will report its Q4 2021 earnings early next month. Whether its quarterly numbers fuel its stock remains to be seen. I think aggressive investors can reap significant benefits in NVEI from here.

## BlackBerry

**BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) has also been terribly weak in 2022. Since November, it has corrected almost 45% and is currently trading close to 14-month lows.

I am not that positive about the BB stock because of its declining financial growth. The once smartphone maker has been making strides in high-growth verticals like cybersecurity and IoT for years. However, it has shown dwindling revenue growth and consecutive losses for a long time.

After the recent fall, the stock does not look cheap and trades at five times its sales. I expect further downside below \$8 levels in BB in the coming few months.

### CATEGORY

1. Investing
2. Tech Stocks

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1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:BB (BlackBerry)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:BB (BlackBerry)
5. TSX:NVEI (Nuvei Corporation)
6. TSX:SHOP (Shopify Inc.)

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