3 Beaten-Down Stocks to Buy Today

Description

Personally, I don't consider buying a stock simply because it's trading at a discount. This is a strategy that many investors employed during the market crash in March 2020. It's safe to say, many of those "rebound stocks" have yet to recover to levels that investors were hoping for. However, today, many stocks in the market are trading lower because of certain economic conditions. For example, higher interest rates are causing growth stocks to slide.

With many excellent companies trading at massive discounts, it makes it difficult to at least factor that into the rest of your stock assessment process. In this article, I'll discuss three beaten-down stocks that investors should buy today.

A global leader in an emerging industry

Shopify (TSX:SHOP)(NYSE:SHOP) has emerged into one of the largest players in the e-commerce industry. In fact, in Q2 2021, it surpassed **Amazon** in terms of customer traffic for the first time. In that quarter, Shopify averaged 1.16 billion monthly unique customers across its stores. In comparison, Amazon averaged 1.10 billion monthly unique customers on its marketplace over the same period. However, despite this staggering growth, Shopify stock trades 52% lower than its value at the start of the year.

Despite these struggles, I believe Shopify is a must-have in your portfolio. This is an opportunity to own a generational stock. The e-commerce industry will only continue to grow, as today's younger consumers eventually represent a larger proportion of the global consumer base. Shopify's list of enterprise customers is unmatched and should allow it to grow for years to come. This is a massive deal that investors should jump on.

Another play on the e-commerce industry

If you're interested in another e-commerce play, then consider investing in **Goodfood Market** (TSX:FOOD). This is an online grocery and meal kit company. It's estimated that Goodfood holds a 40-

45% share of the Canadian meal kit industry. What interests me so much about this company is its staggering growth rate. In 2016, the company recorded $3 million in revenue. In 2021, Goodfood's revenue totaled $379 million. That represents a CAGR of 163%.

Goodfood could continue to see an increase in its revenue, as millennials and Gen Z eventually represent a larger proportion of the consumer base. These demographics are much more accustomed to purchasing groceries and ready-to-eat meals. That provides Goodfood with a solid growth runway in the coming years. As of this writing, Goodfood stock trades about 40% down year to date.

Helping change the way we do healthcare

If there's one thing that the COVID-19 pandemic has taught us, it's that our current healthcare system is very fragile and needs to change. Many doctors have closed their offices and instead only diagnosed patients by phone call. Obviously, this isn't ideal. Fortunately, there are companies actively working to help improve our current healthcare solutions. One of these companies is **WELL Health Technologies** (TSX:WELL).

The aspect of its business I find the most appealing is that it operates an online marketplace (apps.health). This allows healthcare providers to obtain software solutions that could be used to optimize its telehealth offerings. WELL Health operates in the highly competitive telehealth industry. Now that it has managed to expand into the massive American healthcare industry, I like its chances of success. Currently, WELL Health only trades about 16% lower than its value at the start of the year.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:FOOD (Goodfood Market)
3. TSX:SHOP (Shopify Inc.)
4. TSX:WELL (WELL Health Technologies Corp.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. jedlloren
2. kduncombe

Category

1. Investing

Date
2025/06/28
Date Created
2022/03/04
Author
jedlloren