2 Stocks That Could Surge While Others Crash

Description

The world is in a state of flux, as the fears of a full-blown invasion of Ukraine finally came true on February 24, 2021. The immediate impact of the news of Russia's invasion of its neighboring country was an immediate decline of 1.23% for the **S&P/TSX Composite Index**.

However, the implementation of sanctions on Russia following the start of the invasion saw a recovery for the Canadian benchmark index and stock markets worldwide in the second half of February 24.

At writing, the Canadian benchmark index is up by 2.44% basis points from its February 23rd levels, but the uncertainty has not died down. Between the rising geopolitical tensions, interest rate hikes, and rising inflation, stock markets will likely remain volatile for a while.

These factors have disrupted several industries, and many stocks across the board might see a downturn in their performance. However, a market crash might present an opportunity for growth-seeking investors who can find and invest in the right growth stocks.

Today, I will discuss two growth stocks that could surge even as others crash so that you can make a more informed investment decision in light of current circumstances.

An EV component maker

Magna International (TSX:MG)(NYSE:MGA) could be a stock worth buying right now, regardless of whether stock markets crash. MG is a $25.37 billion market capitalization mobility technology company for automakers. It is a major manufacturer of EV parts for the automotive industry, supplying some of the biggest brands that are increasingly shifting towards greater EV adoption worldwide.

Buying the stock of an EV company might entail considerable risk, because there is no way to tell which EV manufacturer might beat others. However, EV components will play an important part in both businesses, effectively guaranteeing strong demand for Magna International's services. At writing, Magna International stock trades for $84.35 per share, boasting a 2.73% dividend yield.

A supply chain solution provider

Descartes Systems Group (TSX:DSG)(NASDAQ:DSGX) is a $7.31 billion market capitalization technology company that specializes in logistics software, supply chain management, and cloud-based services for logistics companies. The rising tensions worldwide amid the conflict could lead to many countries looking for supply chain alternatives due to strained relations with other countries.

The importance of supply chain management companies will only increase in the coming weeks. Descartes Systems stock saw a decline in its valuation, as the trade war kicked off between the U.S. and China, recovering rapidly as tensions eased up. We could see another similar move when things gradually settle down, owing to pent-up trade demand.

At writing, Descartes Systems stock trades for $86.30 per share, and it is down by almost 12% year to date. It could be the right time to pick up its shares on the dip.

Foolish takeaway

None of the current crises seem like they will impact the secular trend of shifting towards electric vehicles. Due to geopolitical tensions, the impact on global supply chains could result in a rise in demand for supply chain management solutions.

Considering these two factors, investing in Magna International stock and Descartes Systems stock could provide you with a significant boost in the medium to long term.

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