



2 Incredible Growth Stocks Primed for Takeoff Right Now

Description

For investors thinking long-term, portfolio construction is important. And while growth stocks have outperformed over the past decade, the recent track record of this segment has not been great.

Indeed, a rotation away from [growth](#) toward value has hurt the valuations of many top companies. For Canadian juggernauts **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) and **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)), this has certainly been the case.

That said, there are a number of reasons why these two growth stocks may be excellent buys on these recent dips. Let's dive into the bull case behind Shopify and Open Text right now.

Top growth stocks: Shopify

Shopify has certainly been one of the clear coronavirus winners. This company's e-commerce platform aimed at small- and medium-sized businesses saw growth soar during this period, as more merchants and consumers turned to online ordering options.

Currently, investors appear to be shifting their focus back to physical retail. A number of physical retailers have seen their stock prices soar, as the pandemic reopening trade picks up. However, e-commerce stocks have not seen the same love, with the market appearing to price in what could be a permanent slowing of growth.

In my view, the pandemic growth we saw was certainly not sustainable in this sector. However, I think there's some stickiness to these consumers that's not being priced in. Accordingly, for Shopify stock, which is now down almost 70% from its peak, this could mean a great buying opportunity for patient long-term investors.

Finally, I'd like to point out that Shopify's valuation multiple is (finally) reasonable. Trading at only [23 times](#) trailing sales, there's a lot to like about this stock, should Shopify's growth improve over the medium term. It's a stock with a risk/reward tradeoff that I think is worth taking a look at right now.

Open Text

Based in Ontario, Open Text emerged out of a technology project that involved the Oxford English Dictionary at the University of Waterloo, Canada. The company's software enables clients to retrieve, search, archive, and aggregate unstructured information like presentations, documents, and email.

Recently, the company saw its name getting featured in the Dividend Channel's "International S.A.F.E. 10" list. This signifies Open Text's status as an international stock with above-average "Dividend Rank" statistics. Indeed, Open Text's rather juicy dividend yield of 2.1% puts this company in elite company in the tech space in terms of dividend-paying stocks.

Overall, I think Open Text's business model and growth profile remain strong. While OTEX stock hasn't been beaten up to the degree Shopify has of late, this company is still down more than 20% from its 52-week high. Those looking for a top-notch growth stock at a discount may like how Open Text is positioned here.

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