



The Best TSX Stocks to Invest \$1,000 Right Now

Description

2022 began on a gloomy note for equity investors, with top TSX stocks losing a significant amount of value due to inflation and fears around interest rate hike. Also, the conflict between Russia and Ukraine added to investors' pain and led to further selling in stocks.

Despite the selling in equities and high volatility, now is a good time to invest in stocks, as shares of several top Canadian companies are trading at [a significant discount](#). Let's look at three stocks that are worth putting \$1,000 into right now.

Shopify

E-commerce company **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is known for creating a significant amount of wealth for its shareholders. However, the recent selling in tech stocks has led to a massive [decline in Shopify stock](#) (down over 54% this year). I see this drop in price as a buying opportunity, and there are good reasons for that.

It's worth noting that the recent selling has led to a compression in Shopify's valuation. Shopify stock is now trading at a forward EV/sales multiple of 11.9, which is at a multi-year low. While it is trading cheap, it is expected to grow at a healthy pace in the coming years on the back of the ongoing digital shift and the addition of more merchants on its platform.

Its growing market share in the U.S. retail, multi-channel platform, strengthening of its fulfillment network, and increased penetration of its payments solutions are likely to support its growth. Moreover, expansion of its product suite, entry into newer markets, and momentum in social commerce will likely accelerate its growth.

Overall, Shopify stock is trading cheap and has strong catalysts that could drive its stock price higher in the long term.

Nuvei

Shares of the payment technology company **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) were hit hard by a short report. Meanwhile, overall selling in high-growth stocks further remained a drag.

Nevertheless, Nuvei is well positioned to deliver +30% annual sales growth in the medium term. Further, its adjusted EBITDA margin is projected to be over 50% in the long term.

Its focus on product innovation, higher revenues from existing customers, the addition of new customers, and opportunistic acquisitions provide a solid growth foundation. Meanwhile, its diversified revenues, the addition of new alternative payment methods, a high net revenue retention rate, and entry into high-growth verticals will support its growth.

With its strong growth prospects and low valuation, Nuvei stock looks attractive at current price levels.

Air Canada

The COVID-19 pandemic and higher crude prices following the Russia/Ukraine conflict took a toll on **Air Canada** ([TSX:AC](#)) stock. Shares of this airline company continue to trade at a significant discount from the pre-COVID levels, providing a buying opportunity for investors.

I believe most of Air Canada's problems are temporary and will likely subside soon. Meanwhile, the accelerated pace of vaccination, reopening of international borders, and increase in air travel demand could significantly boost Air Canada's financials and, in turn, its stock price.

Further, Air Canada is also expected to benefit from the diversification of its revenue and focus on cost savings.

Overall, the expected increase in capacity, recovery in bookings and passenger demand, and momentum in cargo business bode well for growth.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
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3. TSX:AC (Air Canada)
4. TSX:NVEI (Nuvei Corporation)
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