



1 Safe Trick to Finally Ditch Your Dud Stocks

Description

I'll be the first to admit that I'm not perfect at investing. And that I am indeed human and not some robot running an algorithm. And humans, as we know, make mistakes. And I think most of us can say some of those mistakes came up in the last years when investing in growth stocks.

Circle back to March 2020

It was a scary time in the world, but an [exciting](#) one for investing. We all thought we knew which company was going to be the next big thing. Whether it was tech, e-commerce, even cannabis, it all seemed to be going up and up and up. However, things have changed recently.

During the first few months of 2022, there has been a lot of volatility in the market. That volatility crept into our portfolios, leading to a huge downturn in a lot of cases. The rules we used to follow of leaving only 5% to 10% of our portfolio in riskier stocks seemed to go out the window in the last two years. And now, we're paying for it.

But don't fret! If you invested in growth stocks that are no longer growing, there's a safe trick you can use to get back your cash and ditch those duds once and for all. In fact, I'll lead by my (embarrassing) example.

My mistake

For me, it wasn't March 2020 that got me. It was the cannabis [boom](#). I thought that **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) was going to be the biggest producer on the planet. And hey, I can't see the future, it could still be! However, my portfolio couldn't take another pounding from this once glorious growth stock.

When I purchased Aurora stock back in 2017, shares were at about \$4.50. They then ballooned to \$165 on the event of Canadian legalization! After that, they fell further and further and further, finally reaching a point when they had to merge stocks. To simply make back what I lost, I would have to wait

for shares to reach \$84 per share. That wasn't going to happen any time soon.

The solution

Now look, I'm a millennial, and millennials have time when it comes to investing. But I'm also a mom of two kids, and I can't simply look day after day and *hope* that shares will suddenly explode by around 8,000%. Instead, there's another safe trick that I used to get back my cash and move on.

First, I had to see how much I needed to make back to break even. In this case, it was about \$750. Easy enough. But then came the trick. I had to find a safe stock that I could invest in to make that cash back in a relatively quick amount of time. And so, I started looking to safe areas of investment for now and the future. For me, that's fertilizer and finance.

Two stocks to make up my losses

In this case, I looked at buying up shares in **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) and **Toronto Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)). Both are solid companies with a strong balance sheet and [growth](#) portfolio that could help me make back my losses relatively quickly.

Nutrien stock continues to prove its worth, reaching all-time highs already this week as the fertilizer company continues to push our crop nutrients. TD stock on the other hand is one of the largest banks in Canada, and the sixth-largest in the United States. It continues to create partnerships with credit card companies, see strong loan growth, and find new revenue streams setting up investors for strong, stable growth.

Now, the waiting game

Honestly, it didn't take long for me to make back my money. But that's because I had money to invest in the first place. By putting \$10,000 in each stock, I was able to make back what I had lost in just a few weeks. On March 8, shares of TD stock traded at \$95. Two weeks later, TD stock was up to over \$100 per share, making \$500. Nutrien stock, as you may know, has been doing quite well. After putting \$10,000 into Nutrien stock at \$120, two weeks later they were up to \$130! That gave me a further \$833 in my pocket.

So there you have it. Not only did I make back the \$750 lost by my Aurora stock purchase, I made even *more*. \$1,333 more to be precise. Therefore I was able to keep hold of my safe stocks, and sell off my Aurora stock knowing I had made back those losses in spades. And in a safe way to boot.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. NYSE:NTR (Nutrien)

3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:ACB (Aurora Cannabis)
5. TSX:NTR (Nutrien)
6. TSX:TD (The Toronto-Dominion Bank)

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