2 Growth-Oriented ETFs to Buy Before April

Description

North American markets have had a choppy start to 2022. Investors were anxious coming into the new year, as central banks across the developed world announced that they would explore rate tightening in the months ahead. The pressure to pull the trigger on rate hikes has been exacerbated by soaring inflation. Finally, the Russian invasion of Ukraine on February 24, 2022, has spurred the most significant geopolitical crisis of the 21st century. Investors may want to seek out discounted market assets in this environment. Today, I want to look at two exchange-traded funds (ETFs) that are geared up for growth going forward.

Here's a healthcare-focused ETF I'd grab in late March

Earlier this week, I'd suggested that investors should get in on the burgeoning healthcare space. The Western world is faced with an aging population that will lead to increased demand for healthcare services going forward. In 2021, Verified Market Research projected that the consumer healthcare market would deliver CAGR of 8.5% through to 2028.

Investors eager for broad exposure to the healthcare space should consider **iShares Global Healthcare Index ETF** (TSX:XHC). This fund seeks to track the investment results of an index composed of global equities in the healthcare sector. It offers exposure to pharmaceutical, biotechnology, and medical device companies around the world. Shares of this ETF have dropped 1.6% so far this year. However, the stock is still up 15% year over year.

This ETF boasts a solid MER of 0.43%. Meanwhile, some of the top holdings in this fund include health insurance giants like **UnitedHealth Group** as well as household healthcare names like **Johnson & Johnson** and **Pfizer**. Investors on the hunt for growth should hold this ETF for the long haul.

Don't sleep on the Canadian technology sector in 2022

The only sector that has outpaced health care in terms of growth in North America has been technology. Canada has a relatively small technology weighting on the TSX, but what it lacks in quantity it makes up for in quality. ReportLinker recently projected that the global information technology market will deliver a CAGR of 4.3% from 2021 through 2026.

Canadian investors who are looking for broad exposure to the domestic technology space should look to **iShares S&P/TSX Capped Information Tech ETF** (TSX:XIT). This fund seeks long-term capital growth by replicating the performance of the S&P/TSX Capped Information Technology Index. The ETF has plunged 16% in the year-to-date period. That has pushed the fund into negative territory compared to the same time in 2021.

Investors in this ETF will need to pay a MER of 0.61%. Its risk is designated as medium to high on its fund facts. Canadians should be familiar with some of the top companies in this fund. The top holdings include the e-commerce giant **Shopify**, which has been an explosive growth stock since it debuted on the TSX in 2015. Tech stocks like **Constellation Software**, **CGI**, and **Open Text** round out the top five.

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