



Here's Why You Shouldn't Wait to Buy Growth Stocks

Description

Over the last few months, we've seen many of the best Canadian growth stocks sell off, while others have gained in value considerably. Any time there is a tonne of movement like this with stocks, it often creates the best time to buy. And because many top growth stocks are the ones being impacted, they are some of the best to buy now.

One of the biggest name stocks that's been struggling for quite a few months now is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). Shopify stock has become extremely cheap for several reasons, and there's no question that the stock faces significant headwinds in the current market environment.

Rapidly rising interest rates could not only affect the [tech stock's](#) growth potential, but they are also forcing investors to look for investments that are already earning strong cash flow. So, growth stocks like Shopify have understandably sold off, but that doesn't mean they aren't some of the best to buy now.

On the flip side, a high-quality stock like **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) has been seeing significant tailwinds and, already, year to date, the stock is up over 40%.

Nutrien is a massive fertilizer producer, processor, and retailer. Its vertically integrated business makes it one of the most dominant agriculture companies in the world. And with all the sanctions on Russia and Belarus as of late, the stock is seeing a massive boost in business.

Both of these stocks, while moving in different directions, offer investors a tonne of potential and are some of the best Canadian growth stocks you can buy and hold for decades.

And while it may seem like it makes sense to wait to buy them — for Shopify to come back into favour or Nutrien to sell off a bit — that actually may not be the best idea.

When you find a high-quality stock that can offer years of growth potential, you should look to buy

If you're trying to wait on Shopify for it to come back into favour before you buy, you risk missing the bottom altogether. Similarly, if you wait to buy Nutrien stock until it's cheap again, that day may never come. And trying to predict how these stocks may perform over the coming months is a form of speculation.

Nobody knows how these stocks will perform in the short term. It certainly looks as though Shopify will face headwinds for some time, and Nutrien can continue to see a boost in its business.

However, a new black swan event could change all that tomorrow. And since it's extremely difficult to predict how stocks will perform in the short run, all we can do is look to see if they offer us long-term potential.

This way, we can continue to focus on finding the best growth stocks to buy, and by investing for the long haul, we can mitigate against short-term volatility.

Utilizing dollar-cost averaging can also help you mitigate short-term risk

If you truly are hesitant to buy Shopify today when it still could fall further, or if you aren't crazy about Nutrien at its current premium, you may want to consider [dollar-cost averaging](#).

Instead of looking to take a full position today, investors can take a small initial position now to at least gain some exposure and then commit to adding more over time.

Dollar-cost averaging can help significantly to eliminate emotions and stop you from trying to time the market. Because, after all, one of the most famous sayings when it comes to investing is that time in the market beats timing the market.

Therefore, when you find high-quality growth stocks that you identify as top-notch companies and that you'd be comfortable owning for years, you'll want to buy them as soon as possible.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:NTR (Nutrien)
2. NYSE:SHOP (Shopify Inc.)

3. TSX:NTR (Nutrien)
4. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. danieldacosta
2. kduncombe

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/07/29

Date Created

2022/04/15

Author

danieldacosta

default watermark

default watermark