Tech Selloff: 2 Growth Stocks That Are on Sale

Description

Right when we thought we were on the cusp of a rebound, the stock market came crashing down. High-growth tech stocks, in particular, trended downwards from last November up until early March. And then by mid-March, despite all the uncertainties surrounding the economy, optimism flooded the stock market.

The recent bull run may have already come to an end, though. The **S&P/TSX Composite Index** jumped close to 5% in just two weeks last March, but things began unravelling late last week. The Canadian stock market is still impressively positive on the year, but that hasn't been without extremely high levels of volatility.

With earnings season just underway, investors will be watching closely when the tech giants in the U.S. continue reporting next week. Signs of bullishness from reporting companies could spark another bull run.

Here are two high-growth tech stocks that are hard to ignore at these prices. If you're investing for the long term, you may not want to wait much longer before taking advantage of this fire sale.

Shopify

As a **Shopify** (TSX:SHOP)(NYSE:SHOP) shareholder, it hasn't been easy to watch the growth stock's recent downfall. Shares have dropped more than 60% over the past six months, close to 20% of that loss coming in the past week.

I've already added to my position several times this year, but I may need to add to it again soon.

There's no question that Shopify was an extremely expensive stock when it was trading at all-time highs last November. Shares were valued at a steep price-to-sales ratio of just about 50, which ranked it as one of the most expensive companies on the **TSX**.

For a growth stock like Shopify, volatility should be expected. As someone who doesn't plan on selling his shares for decades to come, I'm banking on several more 50% drops in the future for the tech company.

After a dominant run following the COVID-19 market crash, we've been witnessing a rotation out of high-growth tech stocks, which explains why so many tech companies are trading well below 52-week highs today.

Even with the recent selloff, though, shares of Shopify are still up close to 500% over the past five years. And with a massive growth opportunity in front of itself, we may see the company top that growth in the coming five years.

Docebo

Docebo (TSX:DCBO)(NASDAQ:DCBO) is a much more under-the-radar growth stock that's also trading at a significant discount. Shares are down 40% over the past six months in comparison to the Canadian market's return of 2%.

The $2 billion company has only been trading on the TSX since late 2019. The growth stock really began to take off in the early days of the pandemic. Shares at one point were up more than 600% in 2020 alone.

The pandemic caused a sudden spike in demand for the company's cloud-based learning management systems, which resulted in immediate share price growth. But as demand has slowed, so too has the stock price.

After a monster run-up in 2020, it shouldn't come as a surprise to see the growth stock cool off. Docebo is still a very new publicly traded company with a huge market opportunity ripe for the taking.

Investors looking for multi-bagger returns would be wise to take advantage of this discounted price.

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2. Tech Stocks

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ndobroruka