



Should You Buy Canadian Stocks in May Amid Market Volatility?

Description

We all know that when Canadian stocks fall in value, it's the best opportunity to buy them. However, often, when the market finally does start to experience higher volatility, and stock market corrections begin to materialize, investors remain too fearful and miss the best opportunities.

Any time we can buy low, as long as the stocks we buy have excellent long-term potential, then we are improving the total gains we can make. But the best investments will come when volatility and subsequently fear in markets are at their highest.

Therefore, if you're wondering whether to buy stocks in May amid this volatility, the answer is yes, as long as you do a tonne of research and keep a long-term mindset.

Finding the best Canadian stocks to buy amid market volatility

To make the best investments possible, we want to start with the best companies that have the most significant long-term potential. Then we can look to see how cheap they are.

Once we have found stocks we're interested in, it's time to figure out how they are being impacted today. Oftentimes, stocks can sell off strictly due to fear in the market, even when their operations aren't necessarily at risk of being impacted.

Take the pandemic. Many utility stocks and highly [defensive stocks](#) sold off in value by over 25% during the initial correction. However, long-term investors would have understood that these investments would see minimal impact from the pandemic on their operations.

In addition to how a stock is being impacted today, it's important to consider how that may impact its future. In a lot of cases, especially with the best Canadian stocks to buy, it will have only a small long-term impact.

Sometimes, though, it can affect growth and slow it down in the short term. Other times, such as in the case of **Air Canada** recently, the impacts on its operations could affect a company for years to come.

So, while we don't want to get too caught up in what's happening in the short term, it's crucial to consider how it may impact long-term performance.

What are some of the best investments to make today?

If you're looking to buy high-quality Canadian stocks today that are trading unbelievably cheap, one of the best I'd recommend investors consider is **WELL Health Technologies** ([TSX:WELL](#)).

WELL is a healthcare tech stock that has one of the best runways for growth of any Canadian stock. And while most of its significant growth potential will come from its investments in different healthcare tech companies and digital health apps, it also owns an attractive portfolio of physical clinics, which can offer important synergies.

In addition to all of its long-term potential, though, the stock is unbelievably cheap today. The fact that its tailwind from the pandemic eased at the same time that tech stocks fell out of favour has caused WELL Health to sell off significantly.

However, when you consider that analysts still expect it to grow its sales by more than 10% annually over the next few years, at the same time, the stock will see its profitability increase, and it's clear that its business has attractive economics.

Moreover, at its current price, WELL trades at a forward [enterprise value](#)-to-EBITDA ratio of 14.7 times and a forward price-to-earnings ratio of 18.7 times — both are considerably cheap for such an incredible long-term growth stock.

Therefore, if you're wondering whether it's a good time to buy Canadian stocks amid all this volatility, it certainly can be if you focus on finding the best long-term investments, such as a business like WELL.

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